



Daily Report

East Europe

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Friday
3 January 1992

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ALBANIA

1

Alia Suffers Heart Attack; Condition 'Good'

AU0201211192 Tirana Radio Tirana Network
in Albanian 2100 GMT 2 Jan 92

[Statement issued by the Health Ministry; place and date not given]

[Text] Ramiz Alia, president of the Republic of Albania, suffered a heart attack at 0500 on 1 January 1992. Consultations with specialists have shown that it is a matter of an arterio-septal infarct, so far without any complications. His current general condition is good.

Alia Discusses Relations With Greece

NC0201211792 Athens ELEVETHEROTIPIA
in Greek 2 Jan 91 p 22

[Report on interview with Albanian President Ramiz Alia by ELEVETHEROTIPIA correspondent Takis Dhi-
amandis; place and date not given]

[Text] In calm and with low tones during his interview, the Albanian president avoided talking in detail about the daily causes for friction between the two countries and, in fact, described as "petty incidents" the arrests and expulsions of Albanians from Greece.

Specifically he said:

"Our side has no bad intentions. On the contrary, we thank Greece for the help it gives to Albanian emigrants. Certainly we do not agree with some current actions by the Greek Government, the mass expulsions of Albanians, but in the final analysis we consider these things petty incidents... What should be consolidated is good will between our countries."

(Ramiz Alia's interview was given some days before the official protest of Deputy Foreign Minister Mehil Marku, who has drawn the Albanian president's strong criticism, at the United Nations when he referred to the issue of the Tsamis [Greek colloquial expression for Albanians living in Tsamouria, which is officially named Thesprotia] and the "Albanian minority" in Greece.)

Referring to Greek-Albanian differences President Alia said: "A Greek minority lives in Albania which, according to official statistics, amounts to 60,000 individuals." (Editor's Note. These are the people who are officially recognized as a minority because the total of Albanian Greeks exceeds 250,000).

"The previous regime erred on many issues but I personally cannot bring charges against it for its policy toward the Greek minority which has enjoyed all rights: education, culture, and employment. There has never been any anti-Greek climate in Albania or a negative climate toward the Greek minority."

Seizing the occasion, Alia mentioned that although he does not know what the new Greek law that will be drafted and passed by the chamber will be, his personal

viewpoint is that "the Greek minority should in any case be represented in parliament" although he believes that the establishment of the "Concord" organization has essentially divided the Greek minority.

However he added:

"Let us come now to the issue of the Tsamis. It is a historical fact that there have been Tsamis in Greece. At the time of the war, General Zervas [Greek leader during the civil war of 1949] expelled 30,000 Tsamis from their land and forced them to come to Albania so no Albanians would remain in Greece. These people left their properties in Greece. We do not claim the territory of Tsamouria. We only ask that the Albanian Tsamis be allowed to return to the fields and properties which they have left in Greece."

It is a fact that the issue of the Tsamis recently surfaced in Albania in juxtaposition to Greece's insistence for respect of the Greek minority's rights in Albania. Consequently, President Alia's statement seems to be an effort to satisfy Albanian national feeling, as this is expressed by almost all parties.

After all he hastens to add: "In any case, for me the issue of friction does not arise either for the Greek minority or for the Tsamis."

He recalls the Albanians' caution toward the Greeks, stressing:

"The international scene and domestic developments in Albania have whetted the appetite of some political circles in Greece to stretch their fingers more than is allowed."

For this reason he adds:

"In my opinion at this period it was not tactically correct to raise the issue of the establishment of three Greek consulates in Korce, Gjirokaster, and Sarande whose jurisdiction would cover the districts of Korce, Pogradec, Permet, Erseke, Gjirokaster, (Tepeleni), Sarande, and Vlore. Truly is this not Northern Ipiros?"

"Naturally our government did not accept this and it seems the Greek Government has been so offended with the result that it has canceled the visit of an Albanian economic delegation and has blocked an economic credit of \$20 million that Prime Minister Konstandinos Mitsotakis had promised since January."

However, in addition to these peculiarities of Greek-Albanian relations, President Alia gives special emphasis to the broader political dimension of relations within the complex of confrontations in the Balkans, thus giving the reference point for Albanian options.

"The current situation in the Balkans is very dangerous. It may lead us to war because the ethnic disturbances that have erupted in northern Yugoslavia are already moving toward the south and very soon may involve all the Balkan people," he says characteristically and adds:

"The Balkan people must tighten relations between themselves and it is to the credit of the Greek and Albanian peoples who as neighboring peoples have lived with each other for hundreds of years and have never waged war."

However, he stresses: "The great powers have always had the tendency, even now, to leave the Balkans with great problems. Even today when there is a Yugoslav problem, the great powers are trying to draw a new map without asking the opinion of the Balkan countries themselves."

Despite this, Alia mentions Albania's relations with Italy, which he considers to be "a cooperation with a friendly country that wants to help Albania" and especially Albania's relations with Turkey to which he gives great weight against Greek policy. He says:

"I know that the Greeks are worried by our relations with Italy and when I visited Turkey, Greece was again disturbed. In fact, Prime Minister Mitsotakis, to offset this visit, came and gave a speech in Kakavia [customs post on the Greek-Albanian border]. These moves, however, constitute a part of every country's political game."

He adds that "these concerns are absolutely unfounded", but stresses:

"Regarding my visit to Ankara I see the following: Samaras paid two visits to Serbia. Milosevic came to Greece. Mitsotakis and Samaras never discussed the Yugoslav problem with Albania although 3 million Albanians live there (Editor's note. In Kosovo, Skopje, and Montenegro)...If Greece considers it right to reconstitute the old Greek-Serbian alliance we remain indifferent. In any case we have not made any agreement with Turkey that impinges on Greek interests. We merely proceeded with an exchange of delegations on the military side, nothing more."

In any case, in conclusion President Alia stressed:

"What I want to stress is that the Albanian people have friendly feelings for Greece. The Greek people and their government should know this. Albania's relations with Greece are and should be close."

General Staff's Hamzallari Outlines Army Reform

AU0201162292 Tirana ATA in English 0903 GMT
2 Jan 92

[Text] Tirana, January 2 (ATA)—The Army too is being reformed in order to occupy the deserved place in a democratic and pluralistic society, justifying its role as an important factor of national unity and stability, Lieutenant Colonel B. Hamzallari, at the General Staff of the Army writes in the newspaper "BASHKIMI KOMBETAR."

Now efforts are being stepped up to exploit better the achievements and positive experience to avoid and correct the structures and practices that do not withstand the time. It has already become known that one of the

main directions of the military reform is to arrange everything in the Army by law and not only according to rules and orders. The approval of different laws starting with that on the depoliticization of the Army down to military service are an important step for setting up a modern democratic Army.

Recently, the article stresses, work has started for examining the military art and the rules of fighting, maintaining in the foundation of our military strategy the idea of defending the freedom and independence of the country by the whole people. The criteria, principles, dogmatic norms and concepts are being abolished in order to solve the problems related to the military doctrine and our defence in general, thus having a modern concept. Meanwhile special attention has been devoted to the establishment of criteria and norms for the numerical proportions amongst some kinds of weapons and military services giving priority to the increase of fighters' number.

Bearing into mind the conditions of our country in the future too it has been envisaged that the Army be completed with soldiers of compulsory service, which according to the new law is not more than 15 months. An important place in the context of the reform occupies the work and measures adopted for the whole reconstruction of the Army. The possibility is being examined for establishing contacts with the armies of the other countries and CSCE respective organisms.

Council of Ministers Receives Privatization Report

AU3112145991 Tirana ATA in English 1011 GMT
31 Dec 91

[Text] Tirana, December 31 (ATA)—The National Privatization Agency close to the Council of Ministers reports that in implementing the law "On the Sanctioning and Protection of the Private Property, the Free Initiative, the Private Independent Activities and Privatization" for the transition of the state property onto private property the following results have been attained:

In the system of domestic retail trade 57 percent of the shops have been evaluated, the activity has become private in almost 100 percent of the shops and 14 percent of the units have become mainly private. Good work has been carried out in the districts of Tirana, Korce, Lezhe, Permet, Fier. The work has lacked behind in the districts of Shkoder, Pogradec, Diber, Librazhd, Gjirokaster, Kukes and Tropoje.

In the system of handicrafts and of the public services 93 percent of the units has been valued, the activity has become private in about 80 percent of the units and 15 percent of the units have become entirely private.

In the system of the motor road transport of the Ministry of Transports the valuation of all the vehicles has concluded and till now about 200 have been sold.

In other sectors of the economy, in industry, in construction, in fishing, etc., whole enterprises have passed from the state property onto entirely private activity. Hence, in the district of Lushnje the Brick Factory No.1 has become private, from the dissolution of the fish rearing and fishing enterprise five private fishing collectives were created, the first private building enterprise was created in the district of Librazhd, in the district of Kukes the workshop for the beverage production has become private, some fishing ships have become private and documents have been forwarded for the sale of six ships of the merchant fleet with a capacity of 520 to 1,200 tons, in the district of Tirana the line of inert [as received] production, and a line for bread production have become private.

Privatization on broad scale of the workshops, lines, factories will begin immediately in the coming year, on the basis of a special program, drafted by the ministries of the respective districts.

The hitherto results constitute only the first step in the privatisation process, which will advance at fast rates during the coming year in all the sectors and other branches of the economy.

PSSH Paper Views Ceka's Resignation

AU3112202091 Tirana ZERI I POPULLIT
in Albanian 20 Dec 91 p 3

[Luan M. Rama article: "A 'Democratic' Stand Toward Neritan Ceka?!"...]

[Text] One week ago, in its 11 December issue, the Democratic Party [PD] paper RILINDJA DEMOKRATIKE published a statement by the PD's Presidium, parliamentary group, and former ministers, under the monist-sounding headline "Plans of Capital Political Crime Against the PD and Albania." (So the PD equals Albania?)

Without attempting to analyze the entire statement, not only because that is not our job but because we might be accused of defending Neritan, we will dwell on only one aspect of it, that on which the statement itself lays its main stress, i.e. the Ceka case. The reason impelling us to dwell precisely on this is the "democratic" hypocrisy of those who until 6 December 1991 called Neritan Ceka one of the greatest democrats, a brave intellectual in the struggle against communism and the corrupt blockmen [blokmene, former Albanian Workers Party leaders], while on 7 December, after the publication of his declaration, they attacked him with such expressions as "communist, lackey of the president, traitor to the PD," etc., etc. One wonders how such a thing is possible. A paradox? A fairy tale? It is neither one nor the other. It is all true, because this case was judged on the principle of "who is not with me is against me." Just like in the time of the Albanian Workers Party.

Neritan Ceka's public declaration and resignation are no accident. Nor is the president's trap. They are a product

of the "democratic and tolerant" atmosphere prevailing in the PD leadership. Those who have read Frok Cupi's interview published a few months ago in KOHA JONE (in which the passage about the two carts and their drivers and the meeting contrived in three hours was memorable), those who consider the not very pleasant position of Prec Zogaj, Gramoz Pashko, and some other intellectuals at the PD's first assembly, those who followed the open meeting of the National Stability Government at which the leaders of the five parties participating in the government were also present, and those who heard what Emin Mysliu and Prec Zogaj said there will no doubt be able to judge objectively and without prejudice the stand of Neritan Ceka, who, immediately after his public gesture, began to be called "Neritan Alia" by the crowds. It would be impossible to find a more democratic attitude! Real culture and courtesy!

However, this is not what is most singular. The real wonder (if we may put it that way) lies in the fact that the attitude against Neritan expressed by the impassioned rabble-rousers is found in concentrated form in the statement of the PD and its parliamentary group, as if controlled by the same hand. Among other things, in respect to Neritan, the statement underlines that "the disagreements between you and the group of PD deputies began after your journey to Paris in the company of Mr. Alia." Put more clearly, this means that Neritan Ceka's deviation from the party line, i.e. his treachery to the PD, had its roots in a plane journey at the president's side. A discovery just like in the films of the State Security Service! However, this is not a discovery of the National Intelligence Service, but of the topmost leadership of the PD itself, whose vigilant eye no enemy, however subtle and sophisticated, can escape!

No doubt all those who noticed this passage were reminded of Enver Hoxha's book, "The Titoites," which states:

"Mehmet Shehu was sent to New York heading a government delegation to the United Nations. He travelled on the British transatlantic luxury liner The Queen Elizabeth. (Not by plane like Ceka.) We knew that Tito was also travelling on that ship, but it never crossed our minds that Mehmet Shehu might meet Tito. Now we learn from his fellow-travelers who were his collaborators that Harry Fultz of the CIA and Randolph Churchill, who was an intelligence service agent, were also aboard. Mehmet Shehu, as their agent, had secret meetings and talks with Tito, Fultz, and Churchill."

The scenario is evidently the same. Only the action is transferred to our own times. The cast has also changed. The place where the meeting takes place (i.e., where the treason is contrived) is moved from the sea to the air.

One more thing is striking when you read the PD's statement. The PD's leaders take fright when one of the party's members, even a former high-ranking leader like Neritan Ceka, travels alongside a member of the Socialist Party or the president of the Republic. Such an

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attitude may seem paradoxical or anachronistic, but there it is. They are frightened of their curriculum vitae being spoiled. They might be frightened of their becoming agents, or God knows what. While we are on the subject of journeys, we remind the leading gentlemen of the PD (not the large mass of honest members who genuinely aspire for democracy) to watch out for Mr. Aleksander Meksi, who travelled to Italy with Kastriot Islami a few days ago, and Mr. Ali Spahija, who was in Moscow together with Kastriot Islami and Namik Dokle. Because...

After all we have said, does not the attitude toward Neritan Ceka show that extremes converge? I do not wish thereby to accuse anybody or to equate anybody with anything. However, what the great Russian poet Yevtushenko said in his television interview, that "Communism cannot be fought against with communist methods," is entirely true, because this phenomenon is openly present among us. There are still former communists hidden in the spider's web who do not wish to give up their old methods from the time when they performed their duties as secretaries of Albanian Workers Party organizations with zeal, dedication, and a lofty spirit of party-mindedness.

Schools Burned Down in Bodice, Bletas

AU3112200191 Tirana ZERI I POPULLIT in Albanian
25 Dec 91 p 2

[Public Order Ministry statement issued in Tirana; date not given]

[Text] In the serious crimes that have taken place throughout the country recently, it has been noticed that extremist elements and criminals are damaging and destroying facilities that are for everybody's use, which has increased the sense of insecurity among the people. The elementary schools in Bodice in Berat District and Bletas in Pogradec District have been burned down. The bakery in Raboshte in Lezhe District has been destroyed by explosives. Various people occupied all the daycare centers in the town of Fier in the most brutal fashion, turning them into apartments, and were only evicted by police intervention. Other similar crimes have taken place in other districts.

Such ugly and shameful incidents seriously outrage national dignity, because they are attacks on education and the country's future. Such acts of banditry open the gates to anarchy and do serious violence to the democracy that we wish at long last to establish in Albania.

The forces of the police have received special instructions from the Public Order Ministry to firmly intervene and to respond harshly to these extremist and criminal elements. They have also been set the task of identifying and detaining the culprits for these acts of arson and destruction as soon as possible. The police will take action to perform their duties under the law.

Unemployment in Teaching Profession Reported

AU0301103992 Tirana ATA in English 0955 GMT
3 Jan 92

[Text] Tirana, January 3 (ATA)—The so-called secret unemployment is one of the wounds the Albanian society inherited from the nearly half century period of the monist rule. As in every field of the country's life it has become a worrying problem also in the field of education. Provide we make a comparison with the general number of teachers, which amounts to about 50 thousand, there are about 1000 unemployed teachers, mainly in the big cities of the country, as in Tirana, Durrës, Elbasan, Shkoder etc. Over 1991 alone, from the new nominations made at the beginning of the new school year it comes out that 400 newly graduated cadres, with the respective higher education, did not start work in the northeastern districts of the country, adding in this way to the number of the unemployed teachers.

At first sight it seems as we have to do with an overproduction in the training of teachers, but in fact we have shortages of teachers. Hence, for example 13,5 per cent of the teachers who teach language and literature are without the respective education, in mathematics 17,4 per cent, whereas in biochemistry 14 per cent etc. The number of the unemployed is perceptibly increased due to the nonpresentation at working place, mainly in the country's northeastern districts of the young cadres from other districts. This is explained with the big gap existing in the living standard between the districts of our country which makes the teachers hesitate to work. To this end the Council of Ministers took recently the decision for the special treatment of the teachers working in the mountainous districts, giving a wage supplement equal to nearly 50 percent of their wage.

BULGARIA

5

Prime Minister Concerned About SFRY Crisis

AU0201182192 Sofia Khorizont Radio Network
in Bulgarian 1730 GMT 2 Jan 92

[Text] Prime Minister Filip Dimitrov is seriously concerned by the continuing bloodshed in Yugoslavia. This was stated to BTA by a government official who preferred to remain anonymous.

The prime minister is concerned by the possibility of eventual and ill-advised changes in the Army during this critical period, the government official pointed out, without specifying what specific changes are meant.

The issues of rapidly changing the economic system and increasing the authority of the national institutions will be addressed by Prime Minister Dimitur Filip Dimitrov in his 6 January speech, which will be broadcast and televised.

Foreign Minister Ganev Returns From Iran

AU0201182792 Sofia Khorizont Radio Network
in Bulgarian 1730 GMT 2 Jan 92

[Text] On 2 January Stoyan Ganev, deputy chairman of the Council of Ministers and minister of foreign affairs, returned to Bulgaria from the Islamic Republic of Iran, where he paid an official visit.

An agreement was reached with Iranian President Hashemi-Rafsanjani, according to which in the next few weeks Bulgaria will receive credit for the supply of a quantity of oil that will satisfy the country's needs during the winter season.

Reports on Successful Negotiations

AU0201194492 Sofia BTA in English 1825 GMT
2 Jan 92

[Text] Sofia, January 2 (BTA)—Iran will grant Bulgaria a credit for the supply of crude oil, the minister of foreign affairs, Mr. Stoyan Ganev, announced upon his return from Iran today. That is expected to take place in the following weeks, while the payments will start in six months at the earliest, he explained. The exchange of Iranian crude oil for Bulgarian goods was also negotiated. Mr. Ganev pointed out the significance of the results of his visit to Teheran, as this is the first time Iran makes such an exception. This is an expression of its good-will towards Bulgaria and support for its policy, he said.

Bulgaria is following an active foreign policy and is seeking opportunities for development of its relations with all other countries, its policy is not a policy of extremes, but a policy of the optimum with all partners, Mr. Ganev said in connection with his two-week tour which started with an official visit to Austria, continued with participation in the North Atlantic Council meeting in Brussels and official visits to Egypt, Jordan and Iran.

Mr. Ganev pointed out that everywhere his talks had been useful and fruitful. In Brussels he met with his counterparts from Greece, Turkey, Great Britain, Germany, France and Portugal.

Bulgaria's civilized handling of the Muslim problem, of the ethnic and religious issues in accordance with the world human rights standards contributed to its prestige in Brussels, Egypt, Jordan and Iraq, he pointed out.

Trial for Former Security Chiefs To Start 8 Jan

AU0201193992 Sofia BTA in English 1736 GMT
2 Jan 91

[Text] Sofia, January 2 (BTA)—The trial against Gen. Vladimir Todorov, former chief of the Bulgarian Intelligence, and Gen. Stoyan Savov, former deputy minister of the interior, is to start January 8. They are charged with the disappearance of the police file of emigrant writer Georgi Markov who was assassinated in London in 1978, today's "24 CHASA" reports.

Quoting informed sources, the daily writes that the panel intends to complete the case 48 hours before the presidential elections on January 12. State secret being involved, the trial will be conducted behind closed doors. The panel will include three representatives of the military division of the Supreme Court and four jurors. The indictment will be made public.

According to the same report, the two defendants can be sentenced to up to eight years of imprisonment for malfeasance with grave consequences for Bulgaria's international prestige.

The anonymous source maintains that the indictment will be based on only six of the numerous volumes of Georgi Markov's secret file in Department One of the Ministry of the Interior. They reportedly contained information about the plan for Georgi Markov's assassination and about the cooperation between the Bulgarian Secret Services and the KGB in this case.

In the course of the preliminary investigation the two defendants said that they had only disposed of three thin folders of insignificant documents.

KNSB Council on Proposed 8 Jan General Strike

AU0301114892 Sofia Khorizont Radio Network
in Bulgarian 1000 GMT 3 Jan 92

[Telephone interview with correspondent Petur Donchev by announcer Petko Georgiev on meeting of Coordinating Council of the Confederation of Independent Trade Unions in Sofia—live]

[Text] [Georgiev] Our reporter Petur Donchev is at the headquarters of the Confederation of Independent Trade Unions in Bulgaria [KNSB] in Sofia. Good day.

[Donchev] Good day. About an hour ago, the Coordinating Council of the Confederation of Independent

Trade Unions in Bulgaria [KNSB] began what in my view, and not only mine, is an extremely important meeting. The council acts as the supreme organ of the KNSB between its congresses and conferences, and it is now discussing important issues on which decisions must be made.

At the start of the session KNSB Chairman Prof. Krustyu Petkov delivered on behalf of the leadership a report on the organization of the warning general strike planned for 8 January. The Coordinating Council is likely to issue an official document on this matter, but another question arises, namely whether the strike is to take place or not. According to other information available, in addition to that supplied at the end of the year, the strike will probably take place, because such a decision has already been adopted by the leaderships of the federations that belong to the KNSB.

Furthermore, the national action and the trade union demands are also supported by 36 federations, alliances, and individual trade unions that belong to the confederation. It is expected that over 1,350 trade union organizations will take part, and that over 350,000 people will take token or effective strike action.

Nonetheless, the announcement by the National Strike Committee that we have already broadcast, states that under special circumstances, and at the decision of the trade union organizations and the striking workers, the effective strike actions will be held within a single working hour, while a token strike will be held for the rest of the time. This measure relates to the fulfillment of urgent contracts and orders connected with providing social services to the population, which are of vital importance for other enterprises and production activities that satisfy the essential daily requirements of the people, or that are connected with health care.

Journalists have not been permitted to attend the session of the KNSB Coordinating Council, and for this reason I can only give you my conjectures on the basis of the materials that have been made known so far.

The agenda of the session also includes an examination of the organizing and financing of the KNSB extraordinary congress that is scheduled to be held on 22 and 23 February 1992. Our listeners will be kept informed on further developments at this important meeting.

[Georgiev] Colleague Donchev, there has been talk of the possibility of Prime Minister Filip Dimitrov meeting the KNSB. Do you have anything more on this?

[Donchev] I have also made an inquiry about this report, but unfortunately I have to refute what was published in the 24 CHASA newspaper. There has been no talk here of such a meeting. In addition, a few minutes before our midday news bulletin I contacted the Council of Ministers Press Center, from which I obtained no confirmation of a meeting between the chairman of the Council of Ministers and the KNSB Coordinating Council. That is all I can tell you at the moment.

[Georgiev] Thank you. We will continue to follow further developments at this meeting in Sofia.

BSP Congress Decision on Party Headquarters

AU3112183491 Sofia DUMA in Bulgarian
28 Dec 91 p 8

["Decision of the 40th Bulgarian Socialist Party Congress on Further Use of Party Headquarters"; place and date not given]

[Text] In accordance with the proposal voiced at the 2-3 August All-Party Conference and after studying numerous opinions expressed by members and supporters of the Bulgarian Socialist Party [BSP] in connection with the further use of the party headquarters, the 40th BSP congress decided:

1. The party headquarters belongs to the party and only the congress has the right to decide its fate.
2. The congress expresses gratitude to all members and supporters who have contributed through voluntary contributions or work to the construction of the party headquarters and its restoration after the fire.
3. The headquarters will be placed at free disposal for the needs of Bulgaria's science and culture.
4. The dispersion and unsystematic use of the archives and library collections, which are not only party, but also national wealth, must not be allowed.
5. The congress places at the disposal of the National Art Gallery the entire collection of artistic works kept in the headquarters and the storage facilities for those works.
6. The congress insists on preserving this national wealth and placing it at the disposal of the entire society, allowing every citizen free access to it. Placing the party headquarters at free disposal for the needs of Bulgaria's science and culture must be connected with the periodic use of the Georgi Kirkov Hall by the BSP.

The BSP preserves its right to demand also in the future that the government and the executive power use the party headquarters only in the spirit and letter of this decision.

BSP Adopts Declaration on Congressional Results

AU0101182192 Sofia DUMA in Bulgarian
24 Dec 91 pp 1,2

[DUMA PRESS report: "There Is No Alternative To Change"]

[Text] At the session of the Bulgarian Socialist Party [BSP] Supreme Council on 23 December, a declaration was adopted on the results from the 40th BSP Congress and the party's tasks which states:

The BSP's 40th Congress, the first congress from the party's second century, has passed. It has become part of

the path of changes that have taken place in the party after 10 November 1989. In two years the BSP has had four large forums, namely three congresses and one all-party conference. It has developed and adopted the Manifesto on Democratic Socialism, the Platform for Transforming the BSP into a Modern Leftist Party of Democratic Socialism, and the new statute. This ideological movement has been continued by the BSP's 40th Congress.

The fundamental and main result of the congress is the will demonstrated by the party for further change. Keen and heated discussions and clashes of alternative points of view only confirmed that there is no alternative to change in the party, that the ideological diversity that is a vital condition for the BSP's development prevailed in congressional debates. The congress united around its position that as a party the BSP fundamentally differs from the Bolshevik-type organizations of the past. It defends the left and democratic alternative in Bulgarian society's development. It adopts the principles and values of democratic socialism. It expresses and champions the interests of blue and white collar workers. It is open to dialogue and cooperation with all genuinely democratic social forces in the country and aims to become part of the European and world left wing.

During the course of the three days of congress discussions ideological differences appeared, which, however, are not incompatible. The congress resolved that discussions on these matters should continue in greater depth, comprehensively, and constructively. The discussions will transform the BSP into a party with a new humane project for Bulgarian society's development on the eve and at the beginning of the 21st century.

The Supreme Party Council calls on all Socialists, BSP members, and sympathizers to take a most active part in the upcoming discussions, in determining their positions on questions with which the party will be involved for a comparatively long and important stage in its development. The results of this process will strengthen the party; new prospects for worthy participation in future public life will open up. The BSP has the necessary intellectual, cadre, and organizational potential for this.

The BSP's 40th Congress marks a new stage in the BSP's cadres renewal. The new party leadership that will assume the heavy responsibilities during our next complex and difficult period was formed in a civilized, democratic, and natural way. Whether the BSP's 40th Congress will be remembered in history as a transitional congress or whether it will assert itself as a congress marking a transition towards a new party will depend on the new leadership's activities. The newly elected Supreme Council depends on the understanding and support of all Socialists regardless of the differences between them. It will seek ways to mobilize the energies and talents of all Socialists regardless of whether they

have been elected or not to the new membership of the leading party organs. The BSP's new leadership will strive to retain the spirit of comradeship, mutual understanding, and respect. The Supreme Party Council feels the challenge of the times to preserve the party's unity and capability to act as an important social force necessary to the country and its people.

The BSP states its determination to escape from its ailing and increasingly unproductive self-isolation and to address the real problems of society. Its striving to overcome its isolation and self-isolation, to find a way of reaching people of all ages and professions and all democratic social forces must be accomplished through a pragmatic active policy. Through this policy the party will champion the left-wing alternative, finding expression in the resolutions adopted by the 40th Congress that will be published shortly. This policy cannot be developed and produced without the help and participation of all BSP members and sympathizers. Therefore, the Supreme Party Council calls on the whole party, on every Socialist to decisively take a stand in defense of democracy, and the working and social rights of people everywhere, whenever they have been downtrodden or forgotten.

The BSP's 40th Congress was difficult, even onerous. The growing right-wing wave in Eastern Europe, the uncertain situation in the Balkans, the disintegration of the USSR, the reckless and shortsighted policy of the ruling circles in the country, and the undemocratic measures taken by them to weaken the BSP also contributed to this.

The congress did not live up to the unrealistic expectations of it. However, this is completely natural and explicable. The question of our participation in the formation of a political left wing in the country remained open, without which the defense of the left-wing alternative in society's development will be extremely difficult. However, the amendments adopted in the statute give the BSP an actual opportunity to continue working on a resolution to this problem in a much more effective manner. Its important quality will be the decisive efforts to expand the BSP's international relations and the clear position to join the Socialist International. These steps must be understood and supported as an expression of the party leadership's responsibility for the future of our one hundred-year-old party.

The 40th Congress is not only an event for the BSP. It cannot be denied that there is public interest and reaction despite attempts to belittle, restrict, and distort them. This is because the congress confirmed the social value of the BSP's positions and the practical decisions suggested by it along the path of democratic change. They correspond to the interests of a significant proportion of our people. While they exist there will also always be a BSP. This is a serious guarantee of its prospects as an influential and socially necessary political force.

Second CSCE Session To Be Held in Prague*LD0201140792 Prague CSTK in English 1204 GMT
2 Jan 92*

[Text] Prague Jan 2 (CSTK)—Czechoslovakia will chair the Conference for Security and Cooperation in Europe (CSCE) as of the second session of the CSCE Council of Ministers which is to be held in Prague on January 30-31, a Czechoslovak Foreign Ministry official told CSTK today.

Czechoslovakia will hold the chair until the third session of the Council of Ministers begins. The first session of the Council was held in Berlin in June 1991.

Czech Coalition Calls For Border Revision*AU0301120592 Prague RESPEKT No 51 in Czech
23-30 Dec 91 p 2*

[Cetr Janyska commentary: "The Beginning of a New Era"]

[Excerpts] [passage omitted] **Genie in Deputy Lux's Bottle**

By signing the EC association accord, we have become an associate member of a community that banks on a united Europe, a Europe that, two years from now, will abolish the borders of national states, that banks on openness (of which we ourselves want to make the greatest possible use), and that wants to be a continent of stability and cooperation.

It is therefore shocking, to say the least, when a call is made in the Czechoslovak parliament for border revision and for the annexation of some territory that once belonged to us. When the claim for Subcarpathian Ruthenia is theatrically raised by the Republican [Party leader] Sladek, it can be laughed off. On 5 December, however, it was Josef Lux, chairman of the Czechoslovak People's Party, who demanded in parliament the "return of Subcarpathian Ruthenia to the CSFR union [svazek CSFR]." This demand is scandalous, in view of the fact that it was raised by the chief of a parliamentary party, one, moreover, that holds the post of deputy prime minister in the Czech Government. Had this scandal taken place in Budapest or Bonn, all Czechoslovak media would have sounded the alarm. Nonetheless, curiously enough, it was not noted by a single daily.

Does Josef Lux even realize what a Pandora's box he is opening? Does he realize what it means today to claim a part of the territory of the Ukraine, a nuclear power with a 1.5 million-man army, the direction of whose development is totally unclear? [passage omitted]

During the 1989 census, only 516 of the 1.25 million inhabitants of Subcarpathian Ruthenia claimed Czech nationality. Does Mr. Lux want to risk an armed conflict over this territory?

If the chairman of the Czechoslovak People's Party considers it normal and possible to use in the center of Europe today as an argument the return to a situation that existed at some point in the past (prior to which, however, the contested territory had belonged to someone else), he logically would have to yield a point to those Sudeten Germans who also feel entitled to claim back "their" territory. Whereas Mukachevo was under Czechoslovak administration for fewer than 20 years, their ancestors had lived in Bohemia for centuries. He would also have to recognize Hungary's right to a part of Slovakia. [passage omitted]

Is this really the only way for Mr. Lux to attract attention and to demonstrate that he holds an independent view, independent of government policy?

10,000 Tonnes of Oil Expected From Commonwealth*LD0301102592 Prague Stanice Ceskoslovensko
Radio Network in Czech 0800 GMT 3 Jan 92*

[Text] Following the restoration of oil supplies from the territory of the former USSR to Czechoslovakia yesterday, 10,000 tonnes of oil were due to arrive through the oil pipeline on the same day. This was said by Vaclav (?Lauler) from the Federal Ministry of Economy. The first supplies from the restored inflow of oil go to Litvinov, which has been most affected in terms of oil. Oil refineries in Bratislava, Kralupy, and Vltavou have supplies to last a few days.

NOVOSTI Ceases Operations in Slovakia*AU0201124292 Bratislava PRAVDA in Slovak
31 Dec 91 p 2*

[Unattributed report in the "Brief Information" column: "APN Ends Its Operation"]

[Text] On 31 December 91, the Russian information agency NOVOSTI—at one time APN and later IAN—terminates its operation in Slovakia. J. Cernov, chief of the RIA-Novosti branch in Slovakia announced that through CSTK yesterday.

Meciar Seen To Be 'Intimidating' Slovak Press*AU0301111392*

[Editorial Report] Prague MLADA FRONTA DNES in Czech on 30 December on page 2 carries a 300-word "rd"-signed report entitled "Meciar Is Filing a Suit." The report states that Vladimir Meciar, chairman of the Movement for a Democratic Slovakia (HZDS), has filed a libel suit against General Andrej Samel, former deputy minister of interior, and Ivan Baca, chief editor of SMER [Direction], a regional daily published in Banska Bystrica, in which he demands the payment of 980,000 korunas in damages. According to the report, Meciar feels offended by a section in Samel's memoirs, which were serialized by SMER, in which Samel claimed that "as early as February 1990, Meciar had confronted him

with his idea of the CSFR's future arrangement—a confederation, in which the Slovaks would hold in their hands the inlet valves for gas, oil, and strategic raw materials." The MLADA FRONTA DNES reporter says that, "according to some views," Meciar has sued SMER with the sole purpose of "intimidating Slovak journalists and forcing them 'to write for the right people'."

Prague RESPEKT No. 51 in Czech 23-30 Dec 91 on page 4 carries a 1,200-word Milan Zitny article entitled "In Which Direction Will SMER Go? A Political Trial in the Offing." The article analyzes the background of Meciar's suit against SMER. Zitny says that "this seemingly petty and commonplace case would not deserve journalistic attention, were it not for the fact that its background is more political than legal. It needs to be known that the chief editor of SMER is a member of the party that Meciar can least stomach—the Civic Democratic Union—Public Against Violence. The daily SMER, however, is definitely no party paper. Quite the contrary, the provides space for all views. At the same time, it maintains a high standard and observes the rules of decency." Zitny goes on to say: "SMER is the regional daily for central Slovakia, its weekend editions have a print run of 60,000 with a minimal number of returned copies, and its impact on public opinion in Central Slovakia is therefore not negligible. The shareholders of the 'BeBe Press' publishing house, the publisher of SMER, are, essentially, the 24 members of the paper's editorial staff. The loss of 1 million korunas would ruin the publishing house financially. According to Ivan Baca the chief editor of SMER, recent anonymous letters indicate something about the nature, and the originator, of the intentions behind the libel suit. They suggest that, if Baca retracts all claims [about Meciar] and will in the future support 'proper Slovak views' on the pages of his daily, the suit will become groundless."

In concluding, Zitny says that, in view of the situation that has arisen, "it may very well happen that most shareholders of the publishing house will become panicky in the face of the Meciar phenomenon and will place at the head of the editorial team a chief editor who will think twice in the future about the material he publishes on HZDS representatives."

Goals of Slovak Christian Trade Union Explained

AU0301132692 Bratislava SLOVENSKY DENNIK
in Slovak 2 Jan 92 p 1

[CSTK report: "Together With Other Trade Unions"]

[Text] Bratislava—"Our fundamental goal is to secure every man's right to freely choose his work and to a just reward for this work." Jozef Mateasak, secretary of the Christian Trade Unions of Slovakia (KDS) said in an interview with a CSTK reporter on 31 December.

The Christian Trade Unions of Slovakia intend to attain their goals through negotiations with employers and state authorities. They subscribe to the ideas of Christian ethics and, as Mateasak said, "they resume the work of the Association of Catholic Workers of Slovakia and Slovak Christian Trade Union Association" from the CSR [Czechoslovak Republic] period 1918-1938. "We also base our work on international treaties and conventions on trade union rights," he said.

Speaking about the Christian Trade Unions of Slovakia's relations with other trade union bodies in Slovakia, Mateasak said: "Trade unions are independent of political parties and churches. When working for the protection of workers' rights, if our interests coincide, we will cooperate with other trade union institutions."

Czech Justice Minister Richter Resigns

LD0201142192 Prague Stanice Ceskoslovensko
Radio Network in Czech 1300 GMT 2 Jan 92

[Text] Czech National Council Chairwoman Dagmar Buresova has received a letter today from Czech Justice Minister Leon Richter containing a request to accept his resignation. In the letter Leon Richter states among other things that a continuous heavy workload had such negative affects on his health that recently he nearly suffered a heart attack. The Czech parliament Presidium will discuss this matter at its next session, probably on Thursday, 9 January. When asked for more details by CSTK, Minister Leon Richter, who represents Civic Movement in the government, declined to give any more details.

Agrarian Party Opposes Law on Cooperatives

AU0301110392 Prague CSTK in English 0856 GMT
30 Dec 91

[Excerpt] Prague Dec 30 (CSTK)— [passage omitted] In an interview today with the independent daily RUDE PRAVO, the chairman of the Agrarian Party, Frantisek Trnka, says the "transformation law" for cooperatives, recently passed by the Federal Assembly, cannot be put into practice in its current form.

The legislation paves the way for cooperatives to become organizations of real owners, but its provision for including original property owners in decisions affecting a cooperative's fate has raised controversy.

"There is a number of discrepancies and points needing clarification in (the law)," Trnka says. "I can say with confidence that chaos and confusion await the village."

Trnka says he expects the law will anger many members of cooperatives, as they fear they will lose most of the property they have produced. [passage omitted]

Border Spokesman Reports SFRY Mine-Laying*LD0301135192 Budapest Kossuth Radio Network
in Hungarian 1200 GMT 3 Jan 92*

[Text] New mines are being laid by Yugoslav Federal forces in the vicinity of the Hungarian border. The latest is the explosive devices that were placed opposite Illocska which are aimed against tanks, for they will only explode if weight heavier than 150 kg land on them. According to the Hungarian Border Guard spokesman, the Serb leadership's aim is to strengthen the belief that Yugoslavia has to be prepared for a Hungarian tank assault. Janos Zubek added that it is not really possible to protest against laying such explosive devices since the explosion would take place in an upward direction, thus shrapnel can not get into Hungarian territory.

Antall Views Current State of Country*AU0201143592 Budapest UJ MAGYARORSZAG
in Hungarian 24 Dec 91 p 3*

[Interview with Prime Minister Jozsef Antall by Attila Vodros; place and date not given: "Holiday Interview With Prime Minister Jozsef Antall—We Survived Thanks to the Work of the Entire Nation"]

[Excerpts] Hungary is independent and free. The government no longer receives orders from anyone, and there are no foreign troops on Hungarian territory anymore. All this can make us rejoice but, together with joy, we immediately feel various emotions that have become part of our life today, like the fear of unemployment.... However, we should not forget that the vial containing the bitter drops was placed on our table during the previous decades and this government inherited an account-book that carried a stock of debts exceeding \$20 billion. Yet some holding ropes have appeared in the short one and a half years since the Antall government took office, like Hungary's image abroad, something essential for our domestic progress, and this image can give us plenty of reasons for hope. In this interview, Jozsef Antall speaks about the economy, politics and about the need to rejoice over our achievements!

[Vodros] When the Hungarian Democratic Forum [MDF] won the elections, you held a news conference under a big sign that promised a strong parliament, a strong government, and a strong forint. At that time, I asked you about the prospects for a strong and convertible forint. You seemed to be in an optimistic mood at that time. What do you say now about the that slogan?

[Antall] I think that, like everything else, it is also a question of one's viewpoint. There are various ways of judging whether our government is a strong one or not, and the same applies to the Hungarian Parliament. I can say about the activity of the government that, as we all know, we are not efficient enough in some areas, but we cannot be called a weak government by any means. In many respects, our National Assembly broke a record. Obviously, it is not because of our weakness that many

people even accuse us of forcing the increase of central government power; this is nonsense. Obviously, these accusations come from people who, analyzing our activity, disregard the fact that we need to take very firm measures in our current economic policy situation. I do not want to evaluate the activity of our Parliament here, but I will not hide my opinion either: Despite all the baseless rumors, our democratically-elected parliament can stand comparison with any other parliament in the world in the area of legislation. Our parliamentary deputies are working hard. As for the forint issue, only a well-functioning economy can be the basis of a strong forint! In any case, it is a fact that Hungary's hard currency reserves have quadrupled during our term in office; this is the first time in decades that Hungary's debts have decreased despite the new credits taken in order to accelerate our economy. Naturally, this is not all, because I could still continue with a long list of data that prove that the forint is becoming stronger! [passage omitted]

[Vodros] Next year will be the year of agriculture in the Hungarian economy. In view of our economic structure, this is hardly an insignificant plan, and thus many people ask themselves what this really means.

[Antall] First of all, this means that, along with the implementation of the compensation law, the ownership structure in Hungary's agriculture will change. In addition, along with the reorganization of agricultural cooperatives and the new law on agricultural cooperatives, our agricultural sector is changing and this change is so deep that it also means the reorganization of the Hungarian villages. Naturally, this change can be interpreted as progress, but I also know that such a comprehensive change also brings uncertainty in many areas, and this could lead to smaller sowing areas. In the past decades, Hungarian agriculture and the food industry developed according to the needs of our Eastern markets but, now, coming closer to the EC, we must change our production habits, all the more so because we simply do not have money to continue to provide large subsidies to this sector; in other words, it is impossible to maintain an artificially-built and inefficient agricultural sector. [passage omitted]

[Vodros] What do you regard as the most urgent thing at the moment?

[Antall] First of all, I must mention our social problems, as well as the issue of education and culture. I know that one does not have to be an intellectual genius to understand what the good use of our intellectual abilities and the increase in schooling mean in the long term. Money spent on education and culture will eventually be reimbursed. We can also come up with nice thoughts on this issue, thoughts similar to the ones expressed by those who criticize us, but it is an unfortunate fact that we must first produce the money that we intend to spend; there can be no expenditure without income. I can firmly declare that no government in Hungary today could solve our social and educational problems in a way

demanding by our critics. I would like to point out here that our loudest critics had decades at their disposal to clarify these issues, but they failed in their work. I do not question the good intention of our other critics, but sometimes they come up with impossible demands. [passage omitted]

[Vodros] Mr. Antall! What message would you convey to the Hungarian nation on the eve of Christmas 1991? What is it that you would gladly tell every Hungarian living in this country or beyond our borders?

[Antall] I would gladly tell everyone that, after long decades, Hungary has again become an independent state this year. There are no foreign troops stationed in Hungary anymore. The Hungarian Government can no longer be ordered by anyone from anywhere. We do not belong to any forced alliance. If the Hungarians are unable to rejoice over all this at this moment despite all our economic and social problems and all our misery and spiritual problems, they will not only hurt themselves and will humiliate not only themselves but also all the martyrs of the last 11 centuries who sacrificed their lives for these goals. If we do not rejoice over our achievements, we will humiliate those who shed their blood for a free nation and an independent country. I would call upon all the Hungarians on the eve of this holiday to be proud that Hungary has never enjoyed such international prestige and international contacts in the past four decades as it does now. [passage omitted]

President Goncz Reviews Events of 1991

AU0201093192 Budapest NEPSZABADSAG
in Hungarian 24 Dec 91 pp 1,5

[Interview with President Arpad Goncz by Andras Kereszty and Peter Vajda in Budapest; date not given: "The Country Needs Tranquility Now"]

[Excerpts] NEPSZABADSAG asked Arpad Goncz to give an interview for its Christmas edition. The conversation took place in the president's office in the Parliament.

[NEPSZABADSAG] Mr. President, drawing a balance at the end of the year, how would you describe 1991?

[Goncz] It is extremely difficult to answer this. Let us first look at the political side. Our country is in complete agreement as far as its aims are concerned. Hungary must be modern and westernized and its economy should be transformed as soon as possible. To achieve this, however, we have to pool all our resources. Therefore, in my view, while at the beginning of this difficult and thorny path, there is nothing more important than finding a way of working out an order of tasks jointly by the government, the opposition, and society, and achieving at least relative agreement on the road we must follow. I do not feel that we have made any progress in this area in 1991. I find this sad because the country's mood rather reflects the lack of agreement, therefore, it

is impatient and tense. However, what we need most is patience toward each other and tranquility today.

[NEPSZABADSAG] Can we say that, in a political sense, 1991 was worse than 1990?

[Goncz] I do not know. One always finds the present worse, while the past is made better by the passage of time. I started the year hoping that we would make some progress, and this progress would be made in peace on a common road. However, I feel that at least the second half of my wish did not come true. [passage omitted] Another approach is the economic aspect. I do not know whether I or we have a right to judge the performance of our economy before we can clearly assess it. Can we rightfully say that it was successful? In my view, many elements of the tangible processes and the processes beneath the statistical surface can be justly said to be successful. It is hard to assess, though, how much it has all cost us. How much did we use from our reserves, and how much did—for example—a dollar cost us in our dynamically developing dollar-exports? To what extent has our economic structure and product structure been renewed? What is the proportion of new products? I will not draw a balance. However, my impression is that the spontaneous processes are extremely strong and that these—mainly under-the-surface—processes indicate that our country is recovering and is fit for life. I am convinced that we have made important steps toward a market economy. We cannot really talk of a social market economy yet. In fact, I would not want to assess the social cost of this economic progress, either. We are paying a high price: The two-thirds to one-third split in our society is even more apparent now than ever before. I am worried about the one-third that is lagging behind, because the absolute social cost of catching up is increasing daily. We will spend many times the amount that we cannot pay for education and social support today on hospitals and criminal investigation—and this will be paid for by human suffering, which is worth immeasurably more than money.

[NEPSZABADSAG] The fact that you twice turned to the Constitutional Court is part of the political history of 1991. These two steps were among the political sensations of the year and created excitement.

[Goncz] I think it is understandable that they created excitement. Let me tell you that my personal worries were of minor importance in turning to the Constitutional Court with questions—I cannot decide a matter of constitutional law. In both cases, society's opinion was divided along very different lines. [passage omitted]

[NEPSZABADSAG] Is it a difficult decision for the president to turn to the Constitutional Court?

[Goncz] It is a very difficult decision. On the one hand, it is perfectly obvious that the supporters of a law attack me and feel that I impede Parliament's work. On the other hand, all those people who oppose a law and would themselves have turned to the Constitutional Court feel that I, too, consider the decision of Parliament to be

anticonstitutional. I repeat that, when I turn to the Constitutional Court, my attitude only reflects the prevailing situation, namely that society's opinion is not united on the legality of an issue. [passage omitted]

Nevertheless, I am sometimes surprised at the strength of emotions some of my steps create, although these always serve the interest of clarification, of clearing up the social atmosphere, and creating a clear situation. I must say that I can tolerate conflicts very well. However, a step like this is the result of long inner deliberations and difficult decisions. It would be very good if the Hungarian public—or let us put it this way, political opinion—understood the inner mechanism of this decision-making process and received it with neither cheer nor antagonism. I cannot take opposition or other party views into consideration.

[NEPSZABADSAG] You have mentioned the division of society's opinion a few times. In connection with this, we would like to ask how lonely the president is in this office? How can you feel what is going on outside from in here?

[Goncz] I could not cut myself off from society's opinions, because the population sees me as being truly above parties. As a consequence, anyone from pensioners, disabled servicemen through professional interest groups, people with personal problems, and my brethren-in-arms come to me—sometimes, just for a chat, and to tell me what is going on in the country, because I would not know from such a distance. I have numerous sources of information. [passage omitted] Thank god I do not rely on a mass of advisers, because I do not think there is another presidential office in the world with such a small staff.

[NEPSZABADSAG] Some people think even this is too much....

[Goncz] The small staff does not mean that I do not ask every possible person who is interested in the matter one way or another before coming to a decision. I do not have a network, though, that could process all issues and supply ready answers for me. I strictly reserve the right to decide for myself. [passage omitted]

[NEPSZABADSAG] The most frequent accusation is that the president of the republic is a party politician.

[Goncz] If I was a party politician then my views would regularly coincide with the parliamentary opposition's views. If you look at it, in 98 percent of cases, I sign the law passed by Parliament, but not voted for by the opposition, without any comments. Nevertheless, I have never denied my views on the world for one moment. [passage omitted]

[NEPSZABADSAG] Strong emotions can be felt among members of the Hungarian Socialist Workers Party, the Independent Smallholders Party, the popular-national

members of the Hungarian Democratic Forum, for and against. The weight of emotions is sometimes overwhelming....

[Goncz] I feel that somehow, we have to get through this stage, whether we like it or not. We have to sweat it out. This is a result of the dictatorship. This is a situation that follows the fall of every dictatorship. It is very hard to blame one person or even more people for these 40 years as Gorgey was blamed for the defeat of the struggle for freedom [in 1849] by our ancestors. Sooner or later, society will have to sweat the disease out of its body, although this is a bitter process. It means we are feverish. However, first we—the Hungarian society—have to recognize that we are sick. The recognition of the sickness is the precondition for recovery and the cure. [passage omitted]

Foreign Minister Comments on Regional Stability

AU0201134792 Budapest UJ MAGYARORSZAG
in Hungarian 24 Dec 91 p 5

[Interview with Hungarian Foreign Minister Geza Jeszenszky by Laszlo Pusztaszeri; place and date not given: "Hungary Could Be An Attractive Example in the Region—The World Will Have More Than One Pole"]

[Excerpts] [passage omitted]

[Pusztaszeri] What security policy issues do the crises in Yugoslavia and the Soviet Union (which will probably last for some time yet) raise for Hungary and the countries of Central and Eastern Europe?

[Jeszenszky] We have stressed on several occasions that the future of the southern Slav region and the Soviet Union (or its successor states) is not just something that concerns our region, but all of Europe—the whole world, in fact. Dependence between countries has been replaced by independence. In other words, it is in Hungary's and Central Europe's fundamental interest that the war in Yugoslavia be ended, that peaceful economic and other interstate relations be restored, and that the transition in the Soviet Union take place under peaceful circumstances. The primary way we can contribute to this is by keeping our relations stable. Furthermore, the dismantling of communism and the establishment of a new democratic system needs to take place relatively quickly and successfully. In that sense, Hungary could be an example in the region, and if it can fulfill these expectations, our country could play an important international role in the future. At the same time, the behavior of the West—and primarily the developed European democracies—could largely influence both the end of the Yugoslav crisis and the Soviet transformation. The Western powers sense this responsibility and this historic opportunity, but we still cannot predict exactly how they will respond to all this. We have to help our Western friends become perfectly familiar these issues as soon as possible. [passage omitted]

[Pusztaszeri] Many people have argued that the government does not have a resolute "eastern" policy. However, the hearty relations that we have developed with the Soviet successor states and Bulgaria seem to have alleviated the pressure coming from our neighboring countries. [passage omitted]

[Jeszenszky] The only thing that slowed us down in the building of relations was that between the end of 1990 and August 1991, the forces opposed to change seemed to grow stronger in the Soviet Union. Hungary was unable to develop close relations with the Soviet Union's foreign policymakers. Nevertheless, even in this period, there were high-level meetings between the politicians of our two countries.

We have always followed Bulgaria with special attention and I personally watched the fulfillment of Bulgaria's democracy with great hopes. We are happy that the elections were won by the democratic alliance whose views are close to the Hungarian Government coalition's views. Despite very difficult economic circumstances, Bulgaria made great political progress over the last year.

In the meantime, we saw the creation of the "Visegrad Three" cooperation scheme (involving Hungary, Poland, and the CSFR), which also proves that Hungary's foreign policy is not just oriented toward the West, but that it is also interested in the transformation of our eastern neighbors, particularly the Soviet Union. We started to establish links with the former Soviet republics as soon as this became possible, particularly with Russia and the Ukraine, our most immediate neighbors and important economic partners. Thanks to this, we were able to sign three basic treaties on 6 December in Moscow and Kiev. [passage omitted]

[Pusztaszeri] When faced with certain setbacks, the United States likes to withdraw from European politics. It seems that the United States is doing the same thing now, following the numerous mistakes committed in the handling of the Yugoslav and Soviet crises. [passage omitted]

[Jeszenszky] At the moment, the United States does not have the intention to withdraw from European politics, and it does not feel hurt or superfluous. When Prime Minister Jozsef Antall and I made a short visit to the United States at the beginning of last year, we were the first among the former communist countries (in fact, we even preceded some West European countries) to state the need for the Atlantic thinking that freed Europe of Nazi barbarism and maintained freedom in the face of communism. The United States now has the opportunity to make its way into Central and Eastern Europe as well. There are both economic and political reasons for this. At the same time, this does not exclude the economic presence here of Germany, France, and developed Far Eastern countries. [passage omitted]

[Pusztaszeri] What advantageous changes could Hungary expect in its living conditions if it joined to the EC? [passage omitted]

[Jeszenszky] If we establish the kind of institutional and market conditions that made Western countries flourish, this will not fail to bring about results in Hungary, too. This foreign policy and economic change of orientation will inevitably bring an improvement for everybody within a relatively short period of time, but one cannot predict who will feel the effects of this first, or when they will feel them. Apart from this, we can hope to see changes in many other issues through our accession, for example in the solving of national minority problems. [passage omitted]

New Military Industry Director Details Plans

AU0201132292 Budapest MAI NAP in Hungarian
28 Dec 91 p 8

[Interview with Jenő Laszlo, head of the recently established Military Industry Office, by István F. Takacs; place and date not given: "We Will Only Need Professionals—Someone Contacts Us Every Half Hour—Our Crisis-Ridden Military Industry Now Has a State Secretary"]

[Text] The government created the Military Industry Office at the beginning of December 1991 and appointed Jenő Laszlo, administrative state secretary at the Ministry of Industry and Trade, as chairman of this new office. We spoke with Jenő Laszlo about the tasks of this new office and about the future of our military industry.

[Takacs] Have you had any connection with this industrial sector before?

[Laszlo] I worked for the Military Technology Institute as a designer of various vehicles. There were many officers in my family, including my father.

[Takacs] In other words, you are not quite an outsider in the military industry, but the aforementioned office is a new institution in our system of state administration. What is its organizational structure, and what will its tasks be?

[Laszlo] It will be directly subordinated to the government, so it will be independent of any ministry; the defense minister will supervise the new office, and it will be located in the Defense Ministry building on Lehel street in Budapest. [sentence as published] As for the exact rights and possibilities of this new office, these will be stipulated in the Organizational and Operational Statute to be formulated by 15 February. However, the government has already clearly formulated the tasks of this new office: coordination of military industry production, research, development, and trading activities.

[Takacs] In your opinion, will this solve all the problems of the crisis-ridden Hungarian military industry overnight?

[Laszlo] Not at all, but we will start managing the crisis. We can and must use the current tight budget of the Defense Ministry for maintaining the current level, but

the final goal is to create a basis for the supply of modern military technology to our army. We would like to rely on Hungarian industry in modernizing our army, particularly the highly professional sectors, like vehicle production, the production of small arms and artillery, and the telecommunications, electronics, and precision engineering sectors. Once the restructuring program starts, these sectors could easily become the driving sectors of our domestic industry.

[Takacs] Will the firms dealing with the arms trade, like the Technika Enterprises, also be subordinated to this new office?

[Laszlo] It is too early to tell, but we will be in daily contact with these enterprises, because the coordination and supervision of the arms trade falls within our duties anyway. One thing is certain: We must filter out the often irresponsible trade measures experienced recently! Many people are interested in this area, people who are "hanging around" in Hungary, but they do not know whom to talk to. I say that on the basis of what we have experienced recently: The moment people heard about the existence of this new office, they came to us one after another; visitors interested in military technology came almost every half hour.

[Takacs] Why is this such a big "thing?" Such "arms affairs offices" are quite usual abroad.

[Laszlo] The military industry offices in France, England, and Turkey are working very well, and we also know of similar partner institutions in Bulgaria, Yugoslavia, and Romania, and we are trying to set up contacts and exchange views.

[Takacs] You repeatedly stressed that you have been given a comprehensive task. However, in the past, there were several departments in various ministries that dealt with the military industry and trade. Will these departments be abolished now?

[Laszlo] This is also something to be decided in the future. We are now working out a plan to abolish some departments. Every ministry's relevant department, including its budget, will be transferred to us. We will manage from funds that were allocated for the military industry before. We will not be a big staff: We will start work with seven people, including the chairman, administrative personnel, and experts. After clearly stipulating our tasks, we will increase our staff if necessary, but we only need professionals.

Finance Minister Discusses 'Problems' of 1991

AU0201134692 Budapest MAGYAR HIRLAP
in Hungarian 24 Dec 91 p 27

[Interview with Finance Minister Mihaly Kupa by Ilona Kocsi; place and date not given: "Success Is Not a Criterion in Politics..."]

[Excerpts] Many people have lost their bets. In 1990, many people were convinced that Mihaly Kupa would not be able to put up with being a finance minister for a year. He is too much of an arbitrary and impatient character who does not easily accept compromises. One year has gone by—and Mihaly Kupa has remained in his position. [passage omitted]

[Kocsi] We can say that this interview is being made with Finance Minister Mihaly Kupa, who is also a top economics minister—or is this off the agenda now?

[Kupa] I am not a top minister but chairman of the economic cabinet. We do not have such a position in our Constitution.

[Kocsi] In essence, however, does it cover your work? When you became the finance minister one year ago, you made it a condition that you would also be personally responsible for economic policy.

[Kupa] Yes. The government does not discuss any economic issues that have not first been through the economic cabinet.

[Kocsi] Are decisions made here taken into consideration? Or is this only a formal scheme?

[Kupa] Some 95 percent of them are taken into consideration. The other 5 percent cover basically political issues that require political decisions. This is a really insignificant portion of the whole economic policy.

[Kocsi] This is interesting because the structural reorganization of the government seems to be on the agenda again, and it appears that a top economics ministry would be organized around the industrial minister....

[Kupa] To the best of my knowledge, the government has reviewed the responsibility and sphere of authority of ministers, and approved the statutes of the economics cabinet. According to this, economic policy will be directed the same way as before. What certain people say about this is a different matter. [passage omitted]

[Kocsi] Various signs lead us to believe that, one year ago, a brave, pragmatic, and liberal economist came who did not really know the circumstances in which he would have to implement his promises. In particular, he did not know the political sphere but he was familiar with public administration.

[Kupa] I knew the road I had to follow to successfully clear the hurdles. This may be the only place in Eastern Europe where the possibility exists. Nevertheless, it is true that I did not fully assess the difficulties. The population is phenomenal and fantastic, but everything is progressing very slowly. This is terrible. For example, we entertained ourselves with the bill on privatization for six months.... Though the solution was clear at the end of the first month. However, this is politics, and this is democracy.

[Kocsi] Does this mean that you did not reckon with politics?

[Kupa] I was not a politician. When I realized that I needed the political background, I ran in the elections right away. [passage omitted]

[Kocsi] I have heard opinions that the Hungarian Democratic Forum [MDF] resented the fact that you abstained from voting in the Zetenyi-Takacs law [on calling people to account for past deeds].... Other people were surprised at your "yes" vote on the law on the World Expo....

[Kupa] Why should I not have voted this way? We have the necessary guarantees....

[Kocsi] You could, nevertheless, have stuck to your previous opinion, according to which the World Expo could not be organized with the sort of preparations we had made.

[Kupa] I maintain my opinion. The preparations are not good. [passage omitted]

[Kocsi] You could have asserted your anxiety by abstaining or voting no.

[Kupa] We cannot settle for a situation in which we are unable to do anything. The whole economy would collapse this way.... The government program is based on the premise that Hungarian entrepreneurs and people can carry out a great deal.

[Kocsi] Nevertheless, many people explain your voting this way by saying that, as a representative, you need to make more compromises than you would as a minister....

[Kupa] One has a clear point of view and, when it comes to decisions, one also has to take other people's opinions into consideration.... I do not believe, though, that I made very bad compromises. In the summer, I did not agree with the 5 billion forints that was distributed at the demand of the trade unions, but I agree with the agreement we have just made with the Coordination Council. I do not think that I have been selling myself and supporting causes without principles.

[Kocsi] There might be some truth in this because you are not said to be very popular in MDF circles. They have not really accepted you.

[Kupa] You are wrong in this.... At the national meeting of the MDF, only the economic and financial policies were received with a certain amount of satisfaction. We also received some criticism, but not as much as social policy or distribution. Of course, there are many tendencies within the MDF.... I support the liberal tendency.

[Kocsi] When you became a representative, the prime minister supposedly congratulated you by saying that now at last "you had become a real finance minister." This is a strange statement. Did you have to achieve

political success in a small region in order to be recognized as a real finance minister? Is it not enough to prove yourself professionally?

[Kupa] This question goes a long way.... I appreciated this congratulation because it meant that, in addition to winning some professional scores, I also won something as a politician. I won at these elections, which—this is just a minor remark—were the only successful elections for the MDF in 1991. In an established democracy, a minister does not necessarily have to be an expert. A politician fills this position and he is supported by experts doing their job, while the politician does the bargaining and attempts to make a certain course prevail. This cannot yet always be done in Hungary, because democracy is still rather underdeveloped here.

[Kocsi] The dismissal of Gyorgy Suranyi [from position of National Bank chairman] can give special overtones to the professional aspects in Hungary.... In a recent interview in NEPSZABADSAG you said: "I am sorry for the dismissal of Suranyi.... This was a sovereign decision made by the prime minister.... This is his responsibility...." By this, you appear to deflect criticism that you did not stand up for Suranyi....

[Kupa] I could not have changed the decision of the prime minister; at the most, my reputation would have been better for a week....

[Kocsi] Perhaps, not for one week.... In the aforementioned interview, you continued by saying: "Actually, I could have a similar accident...."

[Kupa] Everyone can have accidents, we have to expect that....

[Kocsi] Why, though? Professionally, you are successful, even if you are criticized. In addition, you have politically secured yourself by becoming a deputy. You have said that you control 95 percent of economic policy....

[Kupa] That does not mean.... Today, Hungary definitely has a good chance of achieving lasting success. However, if this does not come about because of social tensions and warning strikes, one can easily find oneself in a situation of being "sacrificed." This is what I meant by the accident. [passage omitted] Professional matters are secondary in this struggle.

[Kocsi] What is the primary matter?

[Kupa] The budget is the most important law in 1991. It is no accident that the debate is so heated now. My impression is that—although I might be very wrong—within about six months, things will change irreversibly, providing we have a consistent economic policy. Economic power will be redistributed and new employer and employee power groups will appear. If "by chance" 1992 is successful, namely we stabilize the economy to a certain extent and have some growth, then it will be obvious that the opposition will remain in opposition and the traditional interest representation groups will lose their bases.... It is possible that the government will

centralize in the meantime, but my personal opinion is that this is the heart of the matter.

[Kocsi] What you are saying seems to be logical.... However, whatever is happening now creates insecurity rather than stabilization....

[Kupa] What are you hinting at?

[Kocsi] I am hinting at the Zetenyi-Takacs law, and certain statements. In the economy, we can see stabilization that manifests itself through personalities.... It is hard to believe that elections could again be won through this....

[Kupa] Not through this.... Elections can only be won by economic successes. [passage omitted]

[Kocsi] When it was first published, the Kupa-program was not attacked as much as now when, in the opposition's view, we are lagging behind. In fact, we appear to have strayed from the appointed course.

[Kupa] No, we have not done that, but there is a delay. The implementation is at approximately 75 percent. The coordination of the privatization bloc, the whole distribution system, regional developments, the infrastructure, and of employment policy is missing. This might be the most important factor. The country that first establishes the economic infrastructure of a market economy will be the winner in Eastern Europe. This is in telecommunications, railways, and in financial services.... In this

respect, I am not worried because, with a lot of difficulties, we managed to stabilize conditions in 1991, and therefore we can push the necessary reforms through in the first half of 1992. We cannot delay these because that could also jeopardize our achievements.

[Kocsi] We have not made any progress in the reform of the big distribution systems, although this fundamentally influences the budget of the day, too.

[Kupa] This is a fundamental issue now. In 1991, the biggest problems were in the economy, but we are past these now. The distribution systems are very unjust and, if nothing else then society will force a change.

The deputies passed the softest possible version, a manicured version of the social security law. The parliament should also face itself sometimes. We have to change the distribution. Whether we like it or not, we have to do this job.

[Kocsi] Why would this be in the interest of the governing party now? The change of a 40-year-old model can produce a shock in society, while it is easier to maneuver with a softer version....

[Kupa] This cannot be a solution. Economic changes also force us to change the distribution systems. It is better for a wise government and a wise Parliament not to wait for the citizens to force this change. [passage omitted]

Olszewski Meets With Parliamentary Groups 2 Jan

Talks Focus on Economic Topics

*LD0201184892 Warsaw PAP in English 1430 GMT
2 Jan 92*

[Text] Warsaw, Jan. 2—Prime Minister Jan Olszewski met representatives of the parliamentary floor group of the Centre Alliance (PC) Thursday [2 January] afternoon, thus starting a series of talks with parliamentary caucuses.

The talks are aimed to exchange views on economic topics in connection with the announced Sejm debate on the provisional budget.

Still on Thursday, the prime minister is to meet floor groups of the Polish Peasant Party (PSL), the Christian National Union (ZChN), the Democratic Union (UD) and Solidarity.

Deputies View Olszewski's Assessment

*LD0301031192 Warsaw PAP in English 2251 GMT
2 Jan 92*

[Text] Warsaw, Jan. 2—Prime Minister Jan Olszewski on Thursday [2 January] held talks with deputies representing parliamentary clubs of the Centre Alliance (PC), Polish Peasant Party (PSL), Christian-National Union (ZChN), the Democratic Union (UD) and Solidarity. All five meetings were held behind closed doors.

Spokesman for the government Marcin Gugulski said that the talks with club representatives focused on the economic situation and the draft budget. The prime minister briefed the deputies on dangers stemming from the current economic situation in Poland.

PC club leader Marek Dziubek said after the meeting that his club shared the prime minister's evaluations of the current economic situation. According to Deputy Dziubek the prime minister was to say that the government plans to withdraw from the Sejm (lower house) a draft of assumptions of the social and economic programme, prepared by the previous cabinet, which, in the opinion of the prime minister, was too optimistic.

Deputy Andrzej Kern (PC) said that an opinion prevailed over the meeting that society should receive honest information on the state of Poland's economy. Kern also added that the club suggested to the prime minister that the new government should ask (the Sejm) for special powers.

PSL leader Waldemar Pawlak said that the state of the economy presses the government to carry on certain solutions adopted by the previous cabinet, "however there is the question of their implementation," stressed Pawlak.

Wieslaw Chrzanowski, speaker of the Sejm and ZChN leader, announced on Thursday that in fact the government withdrew the draft social and economic programme.

Referring to the meeting, Chrzanowski said that Olszewski turned to ZChN, as a member of the government coalition, to undertake steps leading to the approval of the draft budget for the first three months of this year without going into its details.

Deputy Marek Dabrowski (UD) summing up the meeting said that problems lie in details while during the meeting the sides exchanged only general views. One has to wait for parliamentary debates during which the government and parties represented at the Sejm will present their official stands, noted Dabrowski.

Solidarity veteran Jan Rulewski said after the meeting of his club with the premier that "the government has good will, but is short of ideas. The government has the power, but it does not want to take full advantage of it... maybe, due to lack of time, the prime minister did not notice our question whether the government intends to ask for special powers."

Bronislaw Geremek (UD) told newsmen that the question of the union's participation in Olszewski's government has not been discussed and added that "the prime minister has not brought up the question of special powers for the government."

Skubiszewski Opposes Cuts in Ministry Budget

*LD0201220091 Warsaw PAP in English 1659 GMT
2 Jan 92*

[Text] Warsaw, Jan. 2—Foreign Minister Krzysztof Skubiszewski did not approve of a plan to reduce his ministry's budget. The suggestion on the approval of cuts in the Foreign Ministry's budget, reported by some papers, is untrue, Foreign Ministry's spokesman Grzegorz Dziemidowicz told PAP.

The Foreign Ministry does not approve of drastic cuts in its budget as they can paralyze efficient work by Polish diplomacy. In individual cases, they can even bring about stopping work by some missions and prevent opening new ones.

Minister Notes Directions of Agriculture Policy

*LD0201192292 Warsaw Radio Warszawa Network
in Polish 1500 GMT 2 Jan 92*

[Text] Gabriel Janowski, minister of agriculture and food industry, said during his first press conference today that he thinks this government will fulfill its obligations and will introduce minimal guaranteed prices. Among other things, the minister acknowledged as the most important problems that require solution:

[Begin Janowski recording] Halting the recession in agriculture, which, of course, cannot be limited only to

agriculture but has to encompass the whole economy. Second, the future of state farms and various establishments that might have not been described as state farms and whose status might have been different but whose problems are similar to those of state farms. [sentence as heard] Third, the whole infrastructure of agriculture, starting from coops, through processing, trade, and so on, has to be changed. Well we accept that agriculture will not be able to develop properly if this new infrastructure does not fit in with the new socioeconomic and political conditions. Fourth, we have to deal with the problem of feeding our society.

We will follow these matters with full attention and influence food prices so that they reach a normal level in relation to wages. Food expenditure exceeds 50 percent at the moment, which is not a healthy figure. We want food to be available and cheaper, to the best of our ability. [end recording]

Further Protests Object to Energy Price Rises

LD0301030392 Warsaw PAP in English 2320 GMT
2 Jan 92

[Text] Warsaw, Jan. 2—More protests against the rise in energy prices emerged on Thursday [2 January].

The Presidium of the Coordinating Council of the Secretariat of the Steelworkers "Solidarity" writes in its letter to the Sejm, Senate, the president and the prime minister that "autocratic actions taken by the Polish Republic's government are against the law guaranteeing that the trade unions have the right to express their opinions about all decrees and lawful acts concerning the trade unions' interests and activity."

The Presidium of the National Commission of Mining "Solidarity" demands that "some mechanisms protecting the citizens against the results of all kinds of rises be worked out and that negotiations concerning the mechanisms shaping the level of wages be held immediately."

In a letter to Prime Minister Olszewski, the Presidium of the Silesian Chapter of "Solidarity" states that the project of the provisional budget and the laws accompanying it are unacceptable as expenditure on social sphere is going to be cut while costs of living are to increase.

Members of the Federation of the Miners' Trade Union said that the drive to reach an international level of prices for energy while disregarding the restricted level of wages provokes irritation in the society and distrust of the government's activity. The government's actions may lead to uncontrolled protests of the society.

Polish Teachers' Union, Federation of the Railwaymen Trade Unions, Trade Union of Construction Workers, Presidium of the National Trade Union Agreement in Rzeszow and "Solidarity" commissions from all over Poland also expressed their protest against the rises in energy prices.

Striking Krakow Workers' Health Deteriorates

LD0301030792 Warsaw PAP in English 2223 GMT
2 Jan 92

[Text] Krakow, Jan. 2—Twelve metallurgists continued their protest hunger strike in the Sendzimir steelworks in Krakow Thursday [2 January]. According to doctors taking care of the workers, substantial worsening of their health has been reported.

A meeting between the steelworks management and special inter-trade union team for the steelworks' recovery was held on Thursday but no agreement to end the strike was reached.

The strikers expect both the government and the Industry Ministry to guarantee the retention of the raw material part of the steelworks, its modernization, and the installation of the line of continuous steel casting to allow present employment remain on the same level. The protesters demand the settlement of the wages' issue.

Plans for Gas Supply Link With Germany Detailed

PM0301090892 Szczecin GLOS SZCZECINSKI
in Polish 14-15 Dec 91 pp 1, 7

[Andrzej Babinski article: "Gas Link With Europe"]

[Text] There is every indication that quite soon our domestic gas pipeline network will be directly linked with its West European counterpart. This will make it possible to send natural gas in either direction, depending on current requirements and inter-regional agreements. It will also mean a balancing of the sources from which we currently receive our supplies of ecologically harmless fuels which now come mainly from the territories of the former Soviet Union.

The forerunners of a regular gas network system between Poland and the West are two gas pipelines already in advanced stages of construction. The first of these, scheduled for completion in the coming year, will connect the Wielkopolska Depression through the island of Wolin and Swinoujscie with the German part of the island of Uznam. The second gas pipeline will run from Germany through Zgorzelec to Lower Silesia, a region considerably deficient in gas supplies. Both ventures are nearing completion and can be expected to yield their first supplies as soon as next year. The construction of the third planned gas pipeline in the region of Kostrzyn will start a little later.

The first of these pipelines runs through the territory of Western Pomerania. After crossing the Strait of Dziwna, it already reaches as far as the city of Wolin. The city authorities should now negotiate an agreement with the Gasworks Enterprise in Szczecin in order to work out plans for joint distribution of gas to its supply terminals within the city boundaries. The Wolin Gasworks will undertake to construct primary and secondary reduction stations which are planned to be commissioned in the

spring of next year. The construction of the municipal distribution network will be the task of the city district authorities. Unfortunately, this part of the project involves high costs.

From Wolin the gas pipeline will be laid eastward through the Island of Wolin, initially along the edge of a clearing in the Wolin National Park area and parallel to the power transmission line, to the shore of Lake Wicko. To avoid sinking the pipeline in the swampy area adjacent to the lake, a levee several meters high will be constructed along the lake's north shoreline. Farther on, the pipeline will run through the town of Przytor until it reaches the River Swina close to the Karsibor ferry crossing.

The most difficult engineering operation in the whole project will be the construction of the section of the pipeline under the bed of the River Swina, 18 meters below the water level. This part of the operation was put out to tender. Already Canadian, British, Dutch, German, and Danish firms have put in bids to carry out the work, as have two Polish companies. It is thought that the contractor who gets the tender will carry out an unprecedented drilling project, the first of its type in our country. It is enough to say that it will be necessary to drill and construct a 760-meter-long subfluvial and subterranean conduit.

The two reduction stations designed to serve the inhabitants of Swinoujscie and consumers in the German part of the Uznam Island will be constructed along the short section of the pipeline between the River Swina and the state border. In Swinoujscie itself two additional secondary reduction stations should be built, which will make it possible to link up the gas supply with the already prepared municipal distribution network. Assuming that all project deadlines are met, in the spring

of 1993 it should be possible to close down the last antiquated gas works still in operation in Swinoujscie. In place of low-calorie-yield gas from the municipal network, consumers will be receiving the GZ-50 high-methane gas from Odolanow.

Consumers in the German part of the Uznam Island should begin receiving gas from Poland as early as the fall of next year, at the rate of around 10,000 cubic meters per hour. This distribution direction will be maintained until 1997. After that, we are scheduled to begin receiving gas from our German partners, who by then will have linked up their network with Norwegian natural gas sources.

As we publish this information, we should mention that the Szczecin Gasworks Company is the principal investor representing the Polish oil and gas extraction industry in the Wolin Island section of the gas pipeline construction project. The following firms have been contracted to carry out the major parts of the project: "Gazomontaz" of Wolomin; "KB-Gaz" of Szczecin; and "Hydrobudowa-6" of Warsaw. Before long these will be joined by the winner of the tender for the River Swina subfluvial conduit project, which will in all probability be foreign. In addition, PRCIP of Szczecin will be contracted to construct the levee across the Wicko Swamps.

Last, it is necessary to stress that the three trans-border gas pipeline projects in the regions of Swinoujscie, Zgorzelec, and Kostrzyn constitute merely the initial step in the planned gas network links between Poland and Europe. Eventually a larger number of such links are planned to be built. Moreover, they will be designed to produce higher gas yields. For instance, plans are currently being considered for a submarine gas pipeline from Scandinavia along the Baltic sea floor to Poland, with the Polish outlet situated in the area of Niechorze.

FSN Leadership Issues Communiqué on Elections

AU0201201492 Bucharest Radio Romania Network
in Romanian 1800 GMT 2 Jan 92

[Communiqué "faxed" to Radio Romania by the Steering Collegium of the National Salvation Front; date not given]

[Text] The year 1992 arrives with something of great importance for our country's political life, namely the local elections. The local elections represent a decisive step on the road of decentralizing local administration and increasing the true participation of citizens in civic life.

The National Salvation Front FSN assumes the responsibility in this period for ensuring appropriate conditions for free and correct administration of the 9 February local elections. To this effect, the FSN, in its capacity as ruling party, suggests that the entire system of organizing these local elections should be publicized. This system should include all necessary measures to ensure equal opportunities for to all candidates, regardless of their political views. We believe that the presence of certain observers representing domestic and international—professional and nongovernmental—organizations can contribute to creating a positive image of the results of these elections.

The FSN pledges to cooperate with the government in order to establish these measures and ensure their implementation.

Likewise, the FSN is ready to cooperate in this area with all parties engaged in the electoral struggle. As a result of it, and in order to avoid certain situations that might lead to confusion, conflict, or the questioning of the results in one way or another, the FSN requests that in the shortest time possible and with the patronage of the prime minister, all representatives of the parties represented in Parliament should hold a meeting. These elections should represent an element of confidence for the future general elections.

PAC's Manolescu Interviewed on Political Issues

AU0201152292 Bucharest CURIERUL NATIONAL
in Romanian 24 Dec 91 pp 1, 2

[Interview with Nicolae Manolescu, president of the Civic Alliance Party [PAC], by Monica Zvirjinschi; place and date not given: "To Have a Program Is One Thing and To Implement It Is Another"]

[Text] [Zvirjinschi] A few months ago, CURIERUL NATIONAL invited you to a discussion that was later published as a series under the title of "Struggle for Power." Do you have the impression that today we are witnessing a new "sharpening" (to use a word which was in fashion at one time) of this struggle?

[Manolescu] Last night on television we listened to the views of a group of members of the National Salvation

Front [FSN]. They were saying two things: First, that nothing is happening and that what is occurring is an expression of the most genuine democracy and pluralism within the FSN. Second, they said that the unity of the Front has to be saved at all costs. I have genuine doubts that this is what democracy is like! After all, the Front's leader and the country's president have accused each other quite drastically, to use a moderate term so that I am not again accused of extremism. Today the president favors a somewhat slower transition and, if possible, the postponement of imminent deadlines to quite a later date, while the former prime minister seems to favor a more rapid transition. What is strange in this affair is the fact that Mr. Roman says all these things when he no longer holds the position of prime minister! When he was prime minister, we were given to understand something else entirely, not to say that Mr. Ilescu was president when Mr. Roman was prime minister! I suppose that he used to participate in the government meetings and was acquainted with what was happening; and all of a sudden we had the impression that the right hand did not know what the left hand was doing.

[Zvirjinschi] Do you believe that there is a struggle between two or more factions?

[Manolescu] It is a clear-cut struggle between factions. I think that were we to go into detail we would discover the same dispute at all levels. Given the fact that the FSN was set up the way we know this took place, it is only normal that this should happen.

[Zvirjinschi] Is there any evidence that the confronting factions have different programs?

[Manolescu] No, I can determine only rudiments of programs or rather states of spirit.

[Zvirjinschi] Do you expect a positive result from this struggle?

[Manolescu] On one condition—that it does not end in a Caragiale [Romanian playwright] type of system. We are not talking of an electoral reconciliation, but of choosing certain positions. I believe that the policy at this time is to save the unity of the Front, without whichever leader proves the weaker. And I am afraid that, for the time being, Mr. Roman is in this situation!

[Zvirjinschi] I want to ask you a question that has arisen from a rumor. Is it possible for Mr. Roman to move in the direction of the Civic Alliance?

[Manolescu] Mr. Roman himself said that it is an accusation made by those who instigate rumors; I have no reason whatsoever to contradict him!

[Zvirjinschi] You have travelled a lot of late; how does this struggle look from abroad?

[Manolescu] During the miners' arrival in Bucharest one could note that, instead of clear-cut viewpoints and the assumption of responsibility, a conflict for power

emerged, a struggle that looks bad both inside the country and when seen from abroad!

[Zvirjinschi] Has Romania's image changed in the world now, two years after the revolution?

[Manolescu] Romania's image is so bad at this time that it cannot be worse. You have to understand me, it is not the image we had during Ceausescu's time; now its image is bad from another viewpoint. There are doubts about our ability to proceed toward democracy and reform. The world sees us as people who do nothing but quarrel and behave like savages.

[Zvirjinschi] Have you done anything tangible to improve this image?

[Manolescu] Wherever I was I introduced myself as the representative of a party, of an opposition that is trying to seek a rational language and to discuss things without emotion, that understands what has to be understood, and that opposes the measures which cannot be understood and tries to provide the world with an image that is closer to reality: We want the reform and are even able to implement it. During my last trip there was the problem of the referendum. The French expression I used in connection with this event was "refaire une virginite." This is what the Front pursues: To restore its image a little through confrontation in an area in which it was certain to win!

[Zvirjinschi] Do you think that the problem of the monarchy has been clarified through the referendum?

[Manolescu] If we put "clarified" between quotation marks, yes; if we remove them, no. We requested that the referendum on the form of government be held before the adoption of the constitution; by no means after and especially not together with it.

[Zvirjinschi] Do you think that the result on the form of government would have been different in that case?

[Manolescu] I don't think so, but this is not of importance; democracy presupposes consultation of the people under correct conditions and the result is the one that emerges and all people recognize it eventually. The problem was not to achieve a different result, but to eliminate any doubts.

[Zvirjinschi] What is the strategy of the Civic Alliance Party (PAC) in the local elections?

[Manolescu] We have common lists with the other formations of the Democratic Convention, both regarding the lists for counselors and those with proposals for mayors.

[Zvirjinschi] Can this participation in common lists not be interpreted as a lack of personalities to run in the elections in their own name?

[Manolescu] No, especially in local elections where almost 40,000 candidates are needed. Our country does

not lack personalities, but at this time we have to stress the coalition, cooperation, and not rivalry.

[Zvirjinschi] Since at the end of the year it is customary to make forecasts, can you anticipate the result of the local elections?

[Manolescu] Only halfway joking, I shall say that there is nothing much to lose for us! Nothing indeed. We have no counselor, no mayor and any mayor or counselor who is elected from among the coalition will be a gain!

[Zvirjinschi] Let us consider something you are very well acquainted with as a professor—the students' vacation that started a few days ago....

[Manolescu] The procedure was exactly as before. Instead of solving the real problem, a palliative was found. During Ceausescu's time, the students owed their vacation, in fact, to the same situation—fear that because of the cold and lack of light, the students may protest. The Christmas vacation existed, but it was extended for the same reasons. In my view, solutions had to be sought, not courses interrupted. The students demanded heating and light, not a vacation!

[Zvirjinschi] The PAC is naturally struggling to enter parliament. If this happens, do you have tangible solutions to problems, including those of the students?

[Manolescu] It will be demonstrated now during the election campaign that we have solutions for all areas. Now, to have a program is one thing and to implement it is another! After the revolution, no one thought that all shortages would be eliminated through a miracle; maybe just Mr. Roman who used that word on and off in parliament and government.

[Zvirjinschi] To return to the "storm" sweeping through the FSN; do you expect some of the members or just supporters of the Front to turn in the direction of the Civic Alliance?

[Manolescu] The disappointment of many of those mentioned before is obvious. What direction they will be taking is important. We cannot rule out that some of the former supporters of the Front will turn toward the Civic Alliance.

[Zvirjinschi] Is it possible that some also turn toward leftist parties?

[Manolescu] Not only possible, but certain! And here we include the extreme left or extreme right. The populism in the political vocabulary of these formations is extremely attractive. The man who is dying of cold and can hardly find anything in stores at Christmas does not need much to be persuaded that a different team will be able to solve these problems. He who promises more, even irresponsibly, has a great chance of attracting supporters. We have not resorted to such tactics, namely to promise things we cannot offer, because I believe that these people finally have the right not to be lied to any more.

[Zvirjinski] What problem bothers you at this time?

[Manolescu] I am very concerned about the way in which we celebrate the revolution anniversary. It is strange that things have changed so little, so that many of the things that led to the great explosion in December 1989 still exist and could cause—God forbid!—a similar explosion. It is very obvious that some of the decisionmakers are reticent to recall the revolution as it really happened.

[Zvirjinski] What has the Civic Alliance actually done to mark the anniversary of the revolution?

[Manolescu] We are trying to behave decently and responsibly. One cannot proceed as if nothing has happened. Neither can one turn this anniversary into an occasion for settling accounts, disputes, and mutual accusations. That is at variance with the spirit of the revolution and undignified toward all the people who died in it. Another scandalous thing: Last night we heard Mr. Iliescu and Mr. Magureanu [head of Romanian Intelligence Service] say that they have done all they could to find out "who fired at us after the 22d"

[December 1989] as the song goes. I am afraid that they have not done a lot, because a Ion Coman and others in the Timisoara trial have been punished with long years in prison for the one hundred and more who died before 22 December. On the other hand, to my knowledge no one has been punished to date for the almost 1,000 people who were killed after 22 December! Did all those people die a natural death?! Just look at the former Central Committee Headquarters, the Central University Library, and the Royal Palace. They look the way they look; we know very well that there was shooting here; some of us felt the bullets whiz past our ears. Well, these bullets... were fired by no one at no one; there were no terrorists, enemies, and people who wanted to turn back the wheel of history!

Note: At the news conference organized by PAC on Friday, 20 December, Mr. Nicolae Manolescu announced that the political formation he leads has decided to support his candidacy for president of our country in the coming elections.

International

UN's Vance Mediates New Cease-Fire Agreement

LD0201202492 Zagreb Radio Croatia Network
in Serbo-Croatian 2000 GMT 2 Jan 92

[Text] Croatian Defense Minister Gojko Susak, General Andrija Raseta and Cyrus Vance, the UN secretary general's special envoy, meeting in Sarajevo this evening, signed a new agreement on a cessation of military activities. The agreement comes into force tomorrow, 3 January, at 1800 [1700 GMT].

Speaking at a brief news conference, the Croatian defense minister said that this is an agreement that contains mechanisms for its monitoring, which are at the same time a guarantee that it will be implemented. For example, the opposing sides agreed that they will not respond to provocations, and that there will be no movement of units from their present locations. It was also agreed that there should be free movement at sea in accordance with international regulations, and that airspace should not be used for military activities.

Izetbegovic: Results 'Satisfactory'

LD0201183492 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1510 GMT 2 Jan 92

[Text] Sarajevo, 2 Jan (TANJUG)—A cease-fire is planned for tomorrow at 1200 [1100 GMT—time as received] according to Cyrus Vance's plan, Alija Izetbegovic president of the Presidency of Bosnia-Herzegovina said today after the meeting with the UN secretary general's special envoy. "Blue helmets are not coming to Bosnia-Herzegovina in the first phase, but only a large group of observers, who will be deployed at numerous critical points in the republic," he added.

"The observers would be a kind of eyes and ears of the international public," primarily the United Nations and they would be a deterrent for the behavior of the political factors in Bosnia-Herzegovina, Izetbegovic stressed. They will probably be deployed along the border between Bosnia-Herzegovina, Croatia, Serbia, and Montenegro, and in the Mostar and Bihac regions, he specified, saying that the main headquarters of the peace-keeping forces will most probably be in Sarajevo.

Izetbegovic said that this result is satisfactory, and Bosnia-Herzegovina's request for the arrival of the "blue helmets" will depend on the development of the situation. He conveyed the assessment of the UN representatives that the establishment of peace in Croatia and the arrival of the peace-keeping forces to the republic would remove the need for the arrival of the world organization's soldiers in Bosnia-Herzegovina.

He also told the journalists about Vance's unfavorable stand on the too-early recognition of Slovenia and Croatia. Izetbegovic mentioned that he had acquainted Vance with the intention to propose the creation of a community of independent states. He observed that this

could be a community with fairly firm relations, but still among independent states, something similar to what is happening in the former USSR. Bosnia-Herzegovina would have special relations with Croatia and Serbia. It would be a passport and duty-free border on both sides, along with many other relations. Although now, as he said, it is unpopular to talk about a community, it is in Bosnia-Herzegovina's great interest to retain relations with Croatia and Serbia. This is the law of survival "and we must look for relations with these two states. Failing this, there will be a constant instability in Bosnia-Herzegovina," Izetbegovic noted.

Vance had separate meetings with the leaders of the Serbian Democratic Party [SDS-Srpska Demokratska Stranka], Dr. Radovan Karadzic, and the Croatian Democratic Community of Bosnia-Herzegovina [HDZ BiH—Hrvatska Demokratska Zajednica BiH], Stjepan Kljucic, after which he informed Izetbegovic that, according to him, they did not object to the arrival in Bosnia-Herzegovina of the observers, or even the "blue helmets." There are signs of a convergence of views concerning the "blue helmets," he stressed.

He said that "he was not pleased" about the nonarrival of the "blue helmets." Vance's associates consider that "this is enough for now, and that the situation in Bosnia-Herzegovina is not critical, as it sometimes seems to us. At the same time, they are now considering the establishment of peace in Croatia with more optimism," assessing that this would also influence the preservation of peace in Bosnia-Herzegovina, Izetbegovic said.

Milosevic Issues Statement

LD0301083392 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0020 GMT 3 Jan 92

[Text] Belgrade, 2 Jan (TANJUG)—Slobodan Milosevic, president of the Republic of Serbia, received Cyrus Vance, the UN secretary general's special envoy this evening, at the end of his fifth visit to Yugoslavia, the president's office announced this evening.

At the talks, in which Cyrus Vance's associates and Serbian Foreign Minister Vladislav Jovanovic participated, satisfaction with the success of the UN mission was expressed, the statement says and adds:

Taking account of the Serbian stand, which was stressed several times, on the importance of agreement on the proposals for solving the Yugoslav crisis from the legitimate representatives of the Serbian regions [krajine], satisfaction was expressed because agreement concerning Cyrus Vance's plan has been reached with all sides. Peace in Yugoslavia, it was said, is in the greatest interest of all the Yugoslav nations, and Serbs and Croats on Yugoslav territory should build their future on permanent and just peace, which implies equal respect and mutual understanding of the interests of the people and not conflicts.

In this respect, the agreement of all the sides on Cyrus Vance's plan is the first step toward a final establishment of peace in the country, it was said at the talks. President Slobodan Milosevic expressed hope that all sides will observe the commitments undertaken.

It is expected that Cyrus Vance will inform UN Secretary General Butrus Ghali about the result of his mission as early as the end of this week, the statement says in conclusion.

Izetbegovic Proposes 'Union' Plan

*LD0201151992 Zagreb Radio Croatia Network
in Serbo-Croatian 1400 GMT 2 Jan 92*

[Text] Special envoy of the UN secretary-general, Cyrus Vance, had separate talks in Sarajevo today with Bosnia-Herzegovina Presidency President Alija Izetbegovic and presidents of the Croatian Democratic Community Stipe Kljucic and the Serbian Democratic Party Radovan Karadzic.

In a press statement following the talks, Cyrus Vance expressed his conviction that a civil war will be avoided in Bosnia-Herzegovina and that the latest peace plan includes the sending of military observers to Bosnia-Herzegovina.

During a meeting with representatives of the Yugoslav Army and the Republic of Croatia this afternoon, we should find modalities to put an end to fighting, Vance stated stressing that he obtained support of political leaders. Bosnia-Herzegovina Presidency President Alija Izetbegovic stated that a large group of observers were coming to Bosnia-Herzegovina, who would be deployed in many critical spots in Bosnia-Herzegovina, along borders between Bosnia-Herzegovina, Croatia, Serbia, and Montenegro, in Mostar and Bihac; the novelty is that the headquarters of the peace-keeping forces will be situated in Sarajevo.

I told Vance that we shall offer a new plan for the settlement of the Yugoslav crisis in a few days' time, on the model of developments taking place in the Soviet Union. That would be a union of independent states of former Yugoslav republics, Bosnia-Herzegovina Presidency President Alija Izetbegovic stated. Izetbegovic told journalists that, during talks this afternoon in Sarajevo with army representatives, an agreement should be reached on a cease-fire, which is envisaged to come to force at 1100 GMT tomorrow.

Vance Briefs Journalists

*LD0201140492 Zagreb Radio Croatia Network
in Serbo-Croatian 1300 GMT 2 Jan 92*

[Text] In Sarajevo today Cyrus Vance, special envoy of the UN secretary general, met with Bosnia-Herzegovina Presidency President Alija Izetbegovic and then had separate talks with Croatian Democratic Community of Bosnia-Herzegovina President Stjepan Kljucic and Serbian Democratic Party President Radovan Karadzic.

Vance told journalists that his talks focused on the sending of military observers to Bosnia-Herzegovina, who would arrive in this republic together with the peace-keeping forces. He also told journalists that he will submit his report to the new UN secretary general, Butrus Ghali, who will make a decision whether to propose to the UN Security Council to send peace-keeping units.

Regarding the latest peace plan Vance said that it differs from previous ones in the fact that it has been accepted both by Croatian and Serbian leaderships, and also by the leadership of the Yugoslav Army. Recalling that both Belgrade and Zagreb told him to try to establish modalities for a cease-fire, Vance announced he will meet representatives of the Croatian Army and the Yugoslav Army, with which he will complete his three-day talks with the hosts.

Vance Predeparture Remarks Reported

*LD0301104192 Belgrade TANJUG in English
0938 GMT 3 Jan 92*

[Text] Belgrade, Jan 3 (TANJUG)—UN envoy and former U.S. Secretary of State Cyrus Vance left Belgrade this morning for the United States after a four-day stay in Yugoslavia.

In a statement at Surcin airport, Vance among other things said that following a ceasefire agreement achieved yesterday in Sarajevo, now it is up to the peoples of Yugoslavia to show that they are ready, prepared and want to achieve a cessation of hostilities. Now it is up to the leaders, Vance added.

Vance is expected to inform UN Secretary-General Butrus Ghali about the results of his stay in Yugoslavia as early as the weekend, while some diplomatic circles estimate that the Yugoslav crisis could be included in the agenda of the UN Security Council early next week.

The officials Vance had talks with in Belgrade, Zagreb and Sarajevo over the past few days in principle accepted the operational plan of the United Nations for engaging a peace-keeping force on the fronts in Yugoslavia. The plan envisages that the 'blue helmets', which could number around 10,000, be deployed in Eastern and Western Slavonia and Krajina. The territories in Vance's plan are marked as "United Nations Protected Areas (UNPA)".

Since unconditional ceasefire is a condition for the UN to launch a peace operation, Lieutenant General Andrija Raseta and Croatian Defence Minister Gojko Susak signed the ceasefire agreement in the presence of Vance in Sarajevo yesterday. The agreement takes effect today at 18:00 local time and its observance to a great extent will condition what kind of a move, if any, Butrus Ghali and the Security Council will make over the next few days.

UN Peacekeeping Plan Outlined

LD0301112792 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2211 GMT 2 Jan 92

[Text] Sarajevo, 2 Jan (TANJUG)—The Security Council has to decide on the involvement of UN peacekeeping forces in Yugoslavia at the recommendation of the UN secretary general.

The proposed plan was drawn up by Cyrus Vance and Marrack Goulding. Discussions were held on this plan with Yugoslav leaders. However, the secretary general will only present this proposal if he is assured that all sides in the conflict are observing the commitments undertaken. Of these, the most important is the unconditional cease-fire in accordance with the Geneva agreement of 23 November 1991.

Precisely such a cease-fire was signed today by Colonel General Andrija Raseta and Gojko Susak, the Croatian minister of defense, so that according to the plan it now remains for the UN secretary general's special envoy Cyrus Vance to address to the world organization "a categorical assurance that all Yugoslav sides involved in the conflict accept the plan which he wishes to propose to the Council".

The military and police forces for this operation would be voluntarily provided by the UN member countries, and their composition would be approved by the Security Council after consultations with the Yugoslav parties. The plan envisages that the UN forces be made up of 10 infantry battalions, 100 military and 500 police observers, together with the necessary civilian and military auxiliary staff. This comprises a total of 10,000 people, who would all be under the command of the UN secretary general.

The operation would initially be set up for six months, and its possible further extension would be decided upon by the Security Council. The peacekeeping forces would remain in Yugoslavia until the negotiations arrive at a solution to the conflict.

The operation would be collectively financed by the UN member countries, but the Yugoslav authorities would be expected to provide the peacekeeping forces with the accommodation, food, fuel, and other needs for the realization of their operation. The UN military and police would be deployed in the areas in Croatia identified as "United Nations Protection Areas (UNPAs).

The UN forces would see that these areas are demilitarized and that all their populations are protected. Police observers would ensure that the local police carry out their duties without discrimination. When the blue helmets arrive, all Yugoslav People's Army forces would be withdrawn from Croatia. The UN forces would, among other things, have the task of assisting all displaced persons who so wish to return to their homes.

UNPAs would be areas in Croatia in which Serbs represent the majority or a significant minority population

and in which armed conflicts have occurred. The plan envisages that three UNPAs should exist: Eastern Slavonia, Western Slavonia, and Krajina.

The areas under the protection of the UN peacekeeping forces would be made up of the following municipalities or parts of municipalities:

Eastern Slavonia: Beli Manastir, parts of the Osijek municipality to the east of Osijek, Vukovar, some villages in the far eastern part of the Vinkovci municipality;

Western Slavonia: Grubisno Polje, Daruvar, Pakrac, western parts of the Nova Gradiska municipality, eastern parts of the Novska municipality.

Krajina: Kostajnica, Petrinja, Dvor, Glina, Vrgin Most, Vojnic, Slunj, Titova Korenica, Donji Lapac, Gracac, Obrovac, Benkovac, Knin.

Before the arrival of the peacekeeping forces, UN advance forces would establish the exact borders of the UNPAs. Police observers would supervise the work of the local police, while the UN military forces, lightly armed, would ensure that the UNPAs remain demilitarized. The military would also investigate accusations of violations of the demilitarized status of the areas, and in the event of increased tension among the population, would position itself between the two sides to prevent the outbreak of conflicts.

All units of the JNA and Croatian National Guard, and all units of the Territorial Defense, whose headquarters are not in UNPAs, would be withdrawn from these protected areas. Territorial units with their headquarters in the UNPAs would be disarmed and demobilized. All paramilitary, irregular, or volunteer units would also withdraw from the UNPAs, or, if they are from the area, would be disarmed and demobilized. All these units would have to previously remove the mines that they have laid.

In parallel with the arrival of the UN peacekeeping forces, all JNA units would be withdrawn from other areas of Croatia as well. The timetable for this withdrawal would be agreed by the commander of the UN forces and the SFRY federal secretary for national defense. Similarly, all Serbian territorial, paramilitary, irregular, and volunteer units would also be withdrawn from Croatia.

Public order in the protected areas would be the concern of lightly armed members of the local police, formed from the populations of the UNPAs according to proportions that reflect the national composition of the population which lived there prior to the outbreak of hostilities.

The return of the displaced population would be supervised by UN humanitarian agencies with the support of the peacekeeping forces. If the peacekeeping forces come to Yugoslavia, they will be under the command of the

civilian head of the mission, who will receive instructions from the UN secretary general. Under the command of the head of the mission will be the commander of the peacekeeping forces, with the rank of major general, and the police commissioner, who will command the civilian police observers. The headquarters of these forces would be in Banja Luka, with offices in Belgrade and Zagreb.

The members of the UN military and police forces would arrive in Yugoslavia "as soon as possible, once the Security Council decides on the formation of these forces", it is stated in the plan which was discussed with Yugoslav leaders by Cyrus Vance and Marrack Goulding.

Carrington Says EC To Find 'Political Solution'

*LD0301145992 Belgrade TANJUG in English
1357 GMT 3 Jan 92*

[Text] London, Jan 3 (TANJUG)—Chairman of the Conference on Yugoslavia Lord Carrington said in his interview to the British TV network 'SKY' today that, judging by everything, Cyrus Vance has managed to secure a cease-fire and the arrival of a U.N. peace-keeping force and that the European Community will try to find a political solution to the Yugoslav Crisis.

Lord Carrington left this morning for Lisbon, where he will meet with U.N. secretary-general's special envoy Cyrus Vance, who succeeded in achieving an agreement between all sides in the Yugoslav crisis on putting an end to hostilities.

Well-informed sources in London claim today that Lord Carrington gave up his intention of withdrawing from the post of chairman of the peace conference after Vance's mission proved successful and that he will continue his mediating efforts in order to find a way out of the Yugoslav crisis.

London today expresses optimism regarding the success of the latest cease-fire agreement and underscores that now, when all sides have agreed on the cease-fire, the whole world public will clearly know who is violating it and in what manner.

Mitrovic Sends Letter to New EC Council Leader

*LD0301142192 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0819 GMT 3 Jan 92*

[Text] Belgrade, 3 Jan (TANJUG)—Aleksandar Mitrovic, Federal Executive Council vice president, today sent a letter in the name of the Yugoslav Government to Joao de Deus Pinheiro, new president of the EC Council of Ministers and Portuguese foreign minister:

On the occasion of your assumption of the high and responsible office of president of the EC Council of Ministers, allow me to extend to you on behalf of the

Yugoslav Government and myself sincere congratulations. I am sure that your rich experience and statesman's wisdom will mean a great deal for the promotion of common European interests in this key period of constructing a European entity. It is a particular pleasure for me that this responsible post is being taken up by a representative of Portugal, a friend of ours, a country with which Yugoslavia is connected by numerous and patiently interwoven ties of friendship and cooperation. More so since you personally, Mr. Minister, enjoy in my country the reputation of being a friend of Yugoslavia.

I am addressing you in what is, for my country, a very dramatic moment. The reasons for the outbreak of the armed conflicts in Yugoslavia, and for their extent and dimensions, are generally known, so I do not wish to go into their details. On this occasion, I must, nevertheless, reiterate our disappointment not only with the method of work and lack of results in the activities of the EC in resolving the Yugoslav crisis but, above all, in the absence of goodwill on the part of certain members of the Community and in some of their actions. It has been shown that those who warned that such measures and actions would only worsen the position of the innocent population and further deepen the crisis were right.

Despite our serious comments, which I recently sent by letter to Mr. Van den Broek and Lord Carrington, my government believes that the EC has not exhausted all its possibilities and that it can certainly make full contribution to resolving the Yugoslav crisis. To this end, it is essential that the Community returns to its original mandate of offering its good services, that it employs the methods and form of work that are appropriate for this method of peacefully resolving conflicts, and that it resolutely prevents the use of the EC's framework for the promotion of the narrow interests of certain countries, interests which are contrary to proclaimed EC aims and mandate.

I am therefore asking you, Mr. President, to press for the earliest possible revival of the work of the Conference on Yugoslavia, with the full participation of the representatives of the Yugoslav Federal organs, as was originally agreed, and as was initially the case. I would also ask you to support the abolition of EC sanctions against Yugoslavia and all other bilateral restrictive measures that individual members of the Community have begun to apply towards Yugoslavia, or, which is even less acceptable, to apply selectively and discriminately against its individual parts.

I must particularly draw your attention to the extremely dangerous precedent that was recently established by the EC with the Brussels declaration on the recognition of republics, which can only additionally complicate an already confused legal and actual situation. In this connection, I stress particularly that individual acts of recognition, such as the recognition of the Republics of Slovenia and Croatia on the part of Germany are extremely dangerous. These acts do not resolve a single one of the outstanding essential issues of the future of

Yugoslavia and encourage nationalist ambitions. Among these outstanding questions are, above all: the consistent realization of the right to self-determination of all Yugoslav nations; the establishment of borders; human rights and the rights of minorities; the question of citizenship; the fate of millions of people who neither can nor wish to be confined to narrow national borders; succession with regard to international agreements, property, debts, public assets, archives; the protection of the rights of third parties, etc.

In this context, I must draw your attention to the increasingly frequent speculation about the possibility that, by recognizing republics, U.N. Security Council Resolution 713 is practically abolished, and the possibility is opened up of unrestricted arms supplies to the Yugoslav region. This is also indicated by statements from responsible officials of individual states.

Esteemed Mr. Pinheiro, the Yugoslav Government expects that the EC, with your personal involvement, will contribute in all future activities to the search of the Yugoslav peoples through agreement for the best solution for their coexistence, not only in the interests of the peoples of Yugoslavia, but in the best interests of the European nations and the world as a whole. I believe that the EC will, to this end, offer its full support to efforts to realize the U.N. Security Council resolution and all actions within the U.N. framework, and above all, the soonest possible deployment of U.N. forces in Yugoslavia, the letter of Aleksandar Mitrovic stresses in conclusion.

Republics' Attempt To Buy Polish Arms Reported

LD0201145992 Belgrade TANJUG in English
1347 GMT 2 Jan 92

[By Nikola Stanojevic]

[Text] Warsaw, January 2 (TANJUG)—A Polish ministry official confirmed reports that the Yugoslav Republics of Croatia and Macedonia had on several occasions tried to illegally purchase military equipment from Poland. The official told the GAZETA WYBORCZA paper that their attempts had failed only because special Polish services had on time blocked such transactions.

The paper writes that negotiations most probably began on July 26 last year, when representatives of a private Macedonian firm Virdzinija and several negotiators from Croatia came to Poland. The Belgrade daily POLITIKA published the contents of the talks on September 5.

The Warsaw daily carried the report from POLITIKA, that the (?delegation) discussed with an unidentified Polish colonel the purchase of a large quantity of weapons, including 5,000 Kalashnikov rifles and ammunition valued at over 30 million dollars. The GAZETA WYBORCZA however added that no agreement had been signed (?but) it was most probably agreed that the transaction be carried out through a third party so as to avert the attention from the real buyer of the arms.

The paper assumes that J.K., owner of a Swiss firm of Macedonian origin, was the "third man" who was to (?cover up) all traces of the transaction. In August, J.K. asked for the delivery of weapons negotiated in July. He (?produced) the necessary documents, including a certificate of the end buyer, issued in Qatar. The Polish authorities prevented the transaction, saying that the Polish mediation firm was licenced to deal in military equipment but not to "sell active substances."

In the second attempt, the "courier" from Switzerland directly negotiated with the manufacturer—the Lucnik factory in Radom. No deal was made because Lucnik could export only automatic rifles and revolvers it produced, but not mortars, anti-aviation launching or anti-tank launchers.

In October, J.K. appeared for the third time with the same order and a certificate from Equatorial Guinea, but the Polish organs blocked this arms delivery as well. The paper does not directly answer the question whether the Swiss has given up from purchasing weapons in Poland.

It writes that a smuggler of German weapons [word indistinct] Germany on December 12. GAZETA WYBORCZA says that on October 23, Turkish customs officials stopped a Bulgarian ship carrying a large quantity of military equipment, nearly identical to that which the "third man" from Switzerland tried to purchase. The shipping documents did not state the destination port, and the ship captain was arrested. The Bulgarians said they had no comment since the deal was made between government institutions and could not reveal their contents.

Citing reliable sources, the Warsaw paper claims that the agreement [words indistinct] the Bulgarian firm Kinteks and the Iranian Government. The possibility of the arms arriving in Yugoslavia has not been ruled out since the captain could receive orders about the ultimate destination at open sea.

The Polish ministry official believes that the purchase of Kalashnikovs in Poland, where one costs 275 dollars, via Bulgaria, where one costs 90 dollars would not have paid off to the Yugoslav buyers. However, sometimes one has to pay—not for the weapons, but for the possibility to purchase them.

Protest Lodged With Switzerland on Visa Changes

LD0101054192 Belgrade TANJUG in English
1549 GMT 31 Dec 91

[Text] Belgrade, Dec 31 (TANJUG)—The Yugoslav Foreign Ministry today instructed the Embassy in Berne to lodge a protest with the Swiss Foreign Ministry over the unilateral introduction of visas for Yugoslavs which had been neither announced nor explained.

The Yugoslav Ministry said in a statement that its consular administration today summoned the Swiss consul in Belgrade and expressed surprise at the move which it described as unusual in relations among states

and which, to say the least, ignores the provisions of the visa agreement signed between the two states.

The Yugoslav Foreign Ministry today received a note from the Swiss Embassy dated December [word indistinct] which says that tourist, business and other visas will be introduced for Yugoslav citizens as of tomorrow.

The note does not say whether the Swiss-Yugoslav agreement on abolishing visas has been cancelled or suspended, but it requests from the Yugoslav Ministry to take measures for maintaining law and order outside the Swiss Embassy which expects to process between 100 and 300 visa applications a day.

After learning from the papers that Switzerland intends to introduce visas for Yugoslavs, the Yugoslav Foreign Ministry has demanded an explanation for the move through the Embassy in Berne, but no explanation has been offered so far.

Reportage on Silajdzic's Visit to Turkey

WA0301073691

For reportage on the visit by Hari Silajdzic, minister of foreign affairs of the Republic of Bosnia-Herzegovina, to Turkey, including reports on his talks with Turkish President Turgut Ozal, please see the Turkey section of the 2 January West Europe DAILY REPORT and subsequent issues.

Federal

Belgrade Convention on New Federal State Begins

AU0301114692 Belgrade Radio Belgrade Network
in Serbo-Croatian 1100 GMT 3 Jan 92

[Olivija Rusovac report]

[Text] A meeting called the Convention on Yugoslavia began in the SFRY Assembly a few minutes ago. Interest in this meeting is very great. The assembly hall and gallery are completely full. The large number of visitors has obviously surprised the organizers themselves.

Branko Kostic, vice president of the SFRY Presidency, and Borisav Jovic, Sejdo Bajramovic, and Jugoslav Kostic, members of the SFRY Presidency, are attending the meeting. We also spotted Radovan Karadzic, Milorad Etnicic, Mihajlo Markovic, and Aleksandar Bakocevic. Vojislav Seselj, Mirko Jovic, and leaders of other parties and movements are also here.

The meeting was opened by Dragan Djokanovic, president of the Coordination Body, from the Democratic Party of Federalists of Bosnia-Herzegovina. The meeting began with the Yugoslav anthem, Hey Slavs, and the reading of the list of parties that have sent their representatives. We have a list of 159 parties, movements, and associations that are attending the meeting.

The meeting should adopt a convention on Yugoslavia that states, among other things, the following: Those Yugoslav peoples and their republics that have not opted for secession will secure [ebezbediti] the consolidation and continuity of Yugoslavia within new borders, and its transformation into a democratic and federal state community founded on the principles of equality and free will of the citizens and peoples and their republics, the rule of law, social justice, and the highest level of protection of human freedoms and rights, as well as the rights of the minorities, and on the principles of the market economy, free entrepreneurship, and pluralist democracy. The convention also states that the territory of Yugoslavia is unified and its borders inviolable. They will be protected by the Armed Forces of Yugoslavia.

Kostic Addresses Convention

AU0301130792 Belgrade Radio Belgrade Network
in Serbo-Croatian 1127 GMT 3 Jan 92

[Speech by Branko Kostic, vice president of the SFRY Presidency, addressing the "Convention on Yugoslavia" in the SFRY Assembly in Belgrade—live]

[Text] ...the SFRY Presidency gladly accepted their initiative and organized the meeting on 26 December, at which it was decided to hold this convention. In addition to this initiative, resulting in such a mass gathering of the most responsible representatives of the political parties and movements, the greatest value of that meeting lies in the fact that that meeting gathered the representatives of political parties with very different political views. However, this did not prevent them from expressing undivided unity in the views concerning the need to preserve the continuity of the Yugoslav state community [applause] in the form of the new or the third Yugoslavia. On behalf of the SFRY Presidency, I take this opportunity to warmly greet you all with two main messages.

First, let us join together—and, via us, all the citizens of Yugoslavia whom we represent—and at the beginning of this year, 1992, finally establish peace with the welcome help from and involvement of the United Nations and the Security Council. [applause]

Second, let us do everything to reconstitute [rekonstituisati] the Yugoslav state community in the shortest possible time and to form a stable state with organs and institutions that will effectively protect the interests of all peoples and citizens who are interested in living in it. Such a state community should not deprive any nation or republic of the right to leave this community at some later date, if they so decide on the basis of freely expressed will and according to the established procedure. This state community should also be open to the others if they later express the wish to join it.

When we accomplish these two tasks, let us return to the programs of the parties, associations, and movements that we represent, and let us organize a political battle and multiparty parliamentary elections and try to secure the greatest possible number of our representatives in the organs of authority and institutions of the system of the new Yugoslavia.

With the wish that you will contribute to the accomplishment of these two tasks, I congratulate you all on the year 1992 that has just begun, and wish you success in the work of this meeting. [applause]

Long live our dear and only homeland, Yugoslavia. Thank you. [applause]

Miskovic Views FEC's 1992 Economic Policy Plan

LD0301120992 Belgrade TANJUG Domestic Service in Serbo-Croatian 0944 GMT 3 Jan 92

[Text] Belgrade, 3 Jan (TANJUG)—As early as the first days of January, the Federal Executive Council (FEC) will establish its obligations in the realization of this year's economic policy adopted in the Yugoslav Assembly, Zoran Miskovic, the FEC secretary general, said today, stressing that the adoption of documents in the Yugoslav Assembly made possible the necessary functioning of the Federal state and its organs this year. This particularly applies to the realization of the planned monetary policy, the balance of payments and foreign currency, and the federal budget, he said.

Considering the reduction in the scope of functions of the federation, it will be necessary to reduce the number of the employed in the federal government, Miskovic noted. However, care will be taken that the best qualified staff, who will be capable of carrying out the agreed tasks efficiently, remain in the federal administration. The permanent task of the FEC, Miskovic added, is to contribute to the establishing of peace in the country.

Therefore, he stressed, the government will be open to cooperation with all those who are for the immediate halt of military clashes, and it will, as much as it is within its power, influence all the factors in Yugoslavia to restrain from the adoption of decisions which could worsen the situation and hinder democratic dialogue.

Concerning economic and social problems that will be particularly serious this year, the FEC will participate in their resolution. To achieve the best possible results, the federal government will cooperate to the maximum extent with all republics that are willing to cooperate because this is in the interests of both republics and citizens, Miskovic stressed.

JNA Called Largest Beneficiary of New Budget

LD3012183491 Belgrade TANJUG in English 1738 GMT 30 Dec 91

[Text] Belgrade, Dec 30 (TANJUG)—The Federal Chamber of the bicameral Yugoslav parliament

approved today a budget of the federation for 1992 worth 320.1 billion dinars (some 3.5 billion dollars at a realistic rate of exchange), 76.6 per cent of which is destined for the Yugoslav People's Army (YPA) [JNA].

"This is in no way a war budget," Deputy Federal Finance Secretary Slavoljub Stanic said, adding that it would cover only a necessary minimum day-to-day financing of the YPA, which, he said, "is in real terms at an even lower level than in the previous years."

The budget of the federation has been considerably altered from the norm, and will now also cover the funding of pensions of retired YPA personnel, the work of the Federal authorities, war veterans' benefits, and a special fund for social requirements, in particular aid for refugees from Croatia. Pointing to the negative consequences which would arise from the fact that 70 per cent of the budget would come from credits by the National Bank of Yugoslavia (NBJ)—money issue—Stanic said this was necessary because the contributions of the republics and provinces had been reduced.

Stanic said all republics and provinces had retained income which was under Federal regulations payable to the Federal Treasury. Slovenia, Croatia and Macedonia on July 1 this year suspended completely all payments to the Federal budget, while the other republics sent in only part of the income from customs taxes. The harshest criticism in the debate was aimed against the deficit financing of the budget, which, deputies said, would boost inflation sky-high.

A number of deputies also said less should be set aside for the YPA at a time when the "state is powerless to preserve its vital functions and when there is a growing number of hungry people" in the country. The budget was approved yesterday by the Chamber of Republics and Provinces.

Presidency Member: Republics 'Linked' Together

LD3012174891 Belgrade TANJUG in English 1356 GMT 30 Dec 91

[Text] Sarajevo, December 30 (TANJUG)—Member of the Yugoslav Presidency Bogic Bogicevic said today that "the disintegration of Yugoslavia was not in the interests of any one nation or republic," because all "were linked by a joint territory, interests, kinship and personal connections."

Bogic Bogicevic, who is the representative of the Yugoslav Republic of Bosnia-Herzegovina in the Yugoslav Presidency, in an interview to the regional Bosnia-Herzegovina paper FRONT SLOBODE, said that "the idea of the Yugoslav cause is not exhausted, save that of Yugoslavia as a supra-national, unitarian category."

Bogicevic underscored that "with the disintegration of Yugoslavia, problems and conflicts between nations would arise—starting with the status of the peoples living outside the mother republics, the question of

borders, division of state property and debts, the regulation of economic and financial trends, and the foreign debt."

Bogicevic is not taking part in the work of the Yugoslav Presidency since the beginning of October. Absent are also the representatives of the Yugoslav Republics of Slovenia, Croatia and Macedonia.

Federal Assembly Accepts Ministers' Resignations

LD3012184191 Belgrade TANJUG in English
1802 GMT 30 Dec 91

[Text] Belgrade, Dec 30 (TANJUG)—The Federal chamber of the bicameral Yugoslav Assembly voted today to accept the resignations of Deputy Federal Prime Minister Kazimir Zivko Pregl, four Federal ministers and three deputy ministers from the secessionist republics of Slovenia and Croatia.

Pregl, Federal Secretary for Transport and Communications Joza Slokar and Secretary for Foreign Economic Relations Franc Horvat, all three Slovenes, left their posts in the federal government this summer at the time of clashes between the Yugoslav People's Army (YPA) with Slovenian Territorial Defence and police.

Two Croats, Secretary for Development Bozidar Marendic and Finance Secretary Branimir Zekan, submitted their resignations two months ago after fighting flared up between their republic's paramilitary formations, and the YPA and the Serbs' territorial defence units, following Croatia's unilateral decision to break away from Yugoslavia.

The others whose resignations were accepted are deputy Federal secretaries: Ivan Erzen (a Slovene)—internal affairs, Antun Sed (a Slovene)—agriculture, and Cedimir Pavlovic (a Croat)—transport and communications. Member of the Federal Government Branimir Pajkovic (a Montenegrin) was relieved of duty because he is going to another post. Federal Prime Minister Ante Markovic submitted his own resignation on December 20 in protest over what he described as a "war budget" of the Federation for 1992.

The Federal chamber today appointed Dr. Budimir Kosutic, until recently Serbia's vice-premier, member of the parliament's Constitutional Commission. The chamber also relieved of duty deputy governor of the National Bank of Yugoslavia (NBJ) Mitja Gaspari, a Slovene.

Republics, Provinces Chamber Makes Appointments

LD2912154191 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1435 GMT 29 Dec 91

[Text] Belgrade, 29 Dec (TANJUG)—At today's session the Yugoslav Assembly's Chamber of Republics and Provinces elected Radoje Kontic and Budimir Kosutic as members of the SFRY Assembly's Constitutional

Commission. Branka Lazic was relieved of duty as a member of the Agriculture Commission and Tomislav Bandin was elected to that post. Mitja Gaspari was relieved of duty as deputy governor of the National Bank of Yugoslavia at his personal request. Stefan Horvat and Mirko Rogosic were relieved of duty as Federal Court judges. This was the last issue on the agenda of today's Chamber of Republics and Provinces session. In concluding the session, Chamber Vice President Dragomir Rakic wished all delegates a happy and peaceful New Year.

Chamber Votes To End BORBA Subsidies

AU2912165291 Belgrade Radio Belgrade Network
in Serbo-Croatian 1400 GMT 29 Dec 91

[Olivija Rusovac report from the session of the SFRY Assembly Chamber of Republics and Provinces in Belgrade on 29 December—recorded]

[Excerpts] Despite the recommendation by the chairman of the Chamber of Republics and Provinces, the deputies nevertheless opted to ask questions and voice their recommendations on issues taken up in the Assembly. [passage omitted]

When discussing the budget expenditure, the Chamber of Republics and Provinces at the end of its session unanimously adopted a recommendation by the Serbian delegation that the budget subsidies for BORBA be completely abolished and redirected to the Fund for Refugees.

Aleksandar Mitrovic, vice-president of the Federal Executive Council, said that the no resources of the federal budget have been envisaged for YUTEL. Regarding BORBA, Mitrovic proposed that the resources for this paper be blocked and the editorial policy of the paper and the events in the BORBA publishing house examined at the beginning of the next year. If the Assembly, which is the founder of the paper, decides to close down BORBA, then the budget resources will also be discontinued.

At the end, a recommendation was nevertheless adopted that the subsidies for BORBA be discontinued. The Federal Chamber, which is responsible for the budget expenditure, will adopt a final stance on this issue tomorrow.

Federal Assembly Postpones Decision

LD3012195191 Belgrade TANJUG in English
1904 GMT 30 Dec 91

[Text] Belgrade, Dec 30 (TANJUG)—The Federal Chamber of the bicameral Yugoslav Assembly postponed today its decision on the financing of the Belgrade daily BORBA from the federal budget until a parliamentary commission analyses the daily's performance and reviews its status.

The Chamber of Republics and Provinces proposed to the federal chamber yesterday that the funds from the Federal Treasury used to finance BORBA should be diverted to a fund for assisting refugees from Croatia. The proposal, passed in the Chamber of Republics and Provinces, came from Serbian deputies. BORBA's founder is the Federal Assembly. The daily generally reflected the views of the Federal Government of Prime Minister Ante Markovic, who submitted his resignation ten days ago.

A majority in the Federal Chamber, while adopting the 1992 budget, voted today against automatically canceling the assembly's obligations to BORBA.

The parliament's Committee for Information and its Committee for the Budget of the Federation were given a month's time to review BORBA's status and submit to the Federal Chamber their views about the financing of the paper. BORBA, founded by the Communist Party of Yugoslavia (KPJ) in 1919, now has a daily circulation of about 50,000 copies.

Slovenia

Kucan Urges Economic Links Between Republics
LD0101181792 Belgrade TANJUG in English
1100 GMT 1 Jan 92

[Text] Sarajevo, Jan 1 (TANJUG)—Slovenia should launch an initiative for the economic linking of the markets of the present Yugoslav republics, Slovenian President Milan Kucan said in a New Year's program on Yutel television station.

"This is still an open space which will have to be mutually linked. There are both economic and other interests involved which go far beyond the borders of the former Yugoslavia," Kucan said.

He specified that for Slovenia's economy it would be "Shortsighted to rashly abandon markets which it had long striven to win and which, as Kucan said, has grown accustomed to Slovenian production."

"I think that it would be better for Slovenia to think about how to become the carrier of an initiative for linking these markets and how to affirm itself as a bridge for introducing Western capital to these markets and markets of eastern Europe," Milan Kucan said.

The Yugoslav Republic of Slovenia adopted a secessionist act on June 25 of last year and on October 7 confirmed its decision to break away from Yugoslavia and subsequently immediately introduced its own currency, the tolar.

Peterle Asks Kohl for Financial Aid

92BA0305A Belgrade VREME in Serbo-Croatian
23 Dec 91 pp 30-31

[Letter from Slovene Prime Minister Lojze Peterle to German Chancellor Helmut Kohl: "Stripping to the Skin"]

[Text] Dear Mr. Federal Chancellor:

As agreed in our conversation in St. Gilgen and your meeting with Mr. Milan Kucan, president of the Presidency of the Republic of Slovenia, I am sending you proposals and expectations of the Slovenian Government related to the future cooperation between the Federal Republic of Germany and the Republic of Slovenia.

1. Modernization of industry. Estimate of the funds necessary for credit financing is 300 million German marks [DM].

2. Cofinancing of fuel and energy projects—in the amount of DM200 million.

3. Air traffic control and the airline Adria Airways. We propose cooperation in obtaining and financing a radar system at the earliest possible date. Negotiations with Siemens are under way. Adria Airways, with its 14 planes, has lost almost its entire charter business because of the war and also worker flights between the Federal Republic of Germany and Yugoslavia. We therefore propose that Adria Airways be allowed to establish an airline to carry on a charter business in the FRG. Talks have already been held with the German Ministry of Transportation.

4. Trade relations. We also propose that the FRG recognize the use of Slovenian seals, stamps, and signatures on documents accompanying goods in foreign trade and related to international agreements entered into by Yugoslavia.... Because the FRG probably cannot take some of the steps listed above, that is, recognition of the seals, stamps, and signatures, unilaterally within the European Community, we call upon the Government of the Federal Republic of Germany to initiate and support the proposed measures for unhindered visible trade between the Republic of Slovenia and the FRG and also between the Republic of Slovenia and the states of the European Community.

5. The banking system. On 8 October 1991, the Republic of Slovenia introduced its own currency—the tolar. That currency is not supported by fiscal reserves, which ought to amount to DM1.2 billion. We therefore propose that you help us to support the stability of this currency, which would be done by cofinancing foreign exchange reserves. Your support would be equally helpful to us at the headquarters of the European Community and the International Fund when the decision is made on new financial arrangements for the state of Slovenia. Hermes has furnished short-term credit for a term of 360 days in the amount of DM350 million. That sum is too small for

the normal business of the Slovenian economy with the German economy. That is why German banks are reducing lines of credit to our firms established in the FRG, and they are doing the same to the banking system. We therefore propose that the sum be raised to DM900 million.

In addition, without new investments the Slovene economy cannot enter into competition for markets in the advanced world. Let the Hermes insurance be included, then, in long-term credits for equipment. We expect aid in the financial rescue of our banking system, which would be in the form of financial support and advice from your banking experts. We propose that the government institution which oversees the banks on the basis of the law on credit transactions (Bundesaufsichtsamit fuer das Kreditwese, Berlin), with the help of so-called reserves for risky applications (Rueckstellungen), examine the Yugoslav and Slovenian risks separately...whereby we would strengthen cooperation between German banks and Slovenian enterprises. To restore health to the economy and restructure it, aside from the restored soundness of the banking system, we also need funds which could be provided through resumption of cooperation of the Ljubljanska Banka d.d. [Ljubljana Bank, joint stock company] and other Slovene banks with your financial institutions: for example, Kreditanstalt fuer Wiederaufbau, Frankfurt (help in the medium-term financing of equipment imports) and Deutsche Finanzierungsgesellschaft fuer Beteiligungen in Entwicklungslaendern GmbH (DEG), Cologne. The financial market is also seeking modernization of the Ljubljana Exchange and computerization of the exchange...which requires an investment of DM1.2 million.

In view of the fact that the Federal Republic of Germany is the first trading partner for the Republic of Slovenia and the states are now carrying on good economic cooperation, it seems to us in the interest of further good cooperation that a joint German-Slovenian intergovernmental commission be established quite speedily in order to deal on an ongoing basis with the problems that arise in cooperation between the two states. I assume that such a commission could not begin to operate in the full sense before recognition of Slovenia.

Allow me, esteemed Federal Chancellor, to thank you once again for your attention in connection with Slovenia's independence and future relations between the two states.

With marked respect,

[Signed] Lojze Peterle, prime minister

Demos Coalitions' Dissolution, Achievements Noted

AU3112134291 Ljubljana Radio Slovenia Network
in Slovene 0600 GMT 31 Dec 91

[Text] As we have already learned, at its session last night the Council of the Demos coalition adopted the

decision that the government coalition has realized most of the items in its preelection program, because independence and international recognition have been attained. Therefore, the Demos parties propose early elections to be held before April.

As concerns the period before the elections, all parties in the parliament are called upon to make it possible for the government to work normally. Here is a report by Sandi Frilih on the news conference held in Dole, at which the end of the government coalition was (?explained):

[Frilih] The initiative for the meeting of the government coalition was from the Liberal Party, which offered to discuss with representatives of all other parties proposals for continuing the work of the government coalition. Their proposal was not adopted. After the evening meeting ended, Demos President Joze Pucnik presented the decisions of the Demos Council and the joint announcement:

[Pucnik] Following a very intensive debate, we came to the following conclusions: It is inarguable that the Demos Coalition has realized most of the items in its campaign platform and has been particularly successful in the case of the items involving independence, sovereignty, and international recognition of the Republic of Slovenia, something which created conditions for a more successful economy.

The parties have decided that, due to political differences, they should disband the coalition and propose early elections to be held by the end of April 1992 at the latest. The signatory parties oblige themselves to do everything with a view to having the electoral legislature adopted in time. During the time before the elections, the parties in the government will do everything with a view to having the state work normally. At the same time, the parties suggest to other parties and groups in the parliament to take part in settling the (?latest) problems during the time before the early elections. In the period before the early elections, the government will prepare a proposal for the most necessary tasks and measures, particularly those in the economic sphere. The signatory parties are going to coordinate the [word indistinct] stands at the meetings of party presidents and at the regular meetings of the heads of the party caucuses.

The signatory parties suggest that heads of all parties and groups in the parliament should hold regular meetings in the future.

[Frilih] In the continuation of the meeting, Lojze Peterle, president of the Slovene Executive Council, commented on what the decisions mean for the republican government and about replacements for individual ministers.

[Peterle] These decisions mean that the government will continue its work until the elections, and that only the most necessary changes will be made during this time, changes concerning the resignations of individual ministers and not any particular government reshuffle. At

this meeting, I have given up the proposal to replace the foreign minister, under the condition that we decide to hold elections as soon as possible. We think that after the successes achieved, this government is capable of bringing the coalition to the coming elections and of carrying out the activities that we may agree upon together.

[Frelj] In reply to some specific questions concerning individual replacements, Lojze Peterle said the following:

[Peterle] Therefore, (here I can only say for sure) that what is involved is only the replacement of Minister Boh. She has stepped down, and a proposal has already been submitted to the Assembly that she should be replaced by Dr. Volc. As concerns Minister Bastl, about whom I have already been asked such questions [word indistinct] the following: I have asked him to inform the government with a precise and (brief) report about the affairs concerning his ministry and the so-called Slovin affair. On the basis of this report and the situation at that moment, I will decide whether to propose to replace him or not. I cannot make this decision in advance, I have to thoroughly examine the situation.

Croatia

Defense Officials Interviewed on New Cease-Fire

LD0201234692 Zagreb Radio Croatia Network
in Serbo-Croatian 2100 GMT 2 Jan 92

[Interviews with Croatian Defense Minister Gojko Susak and Brigadier General Imra Agotic by Juraj Hrvacic at Zagreb's Pleso airport on 2 January—recorded]

[Text] The plane from Sarajevo carrying the delegation of high-ranking Croatian Army representatives landed at Pleso airport at 2206. This afternoon the delegation and representatives of the Yugoslav People's Army discussed technical details of a military nature of the cease-fire.

This is Juraj Hrvacic reporting for Croatian Radio from Velika Gorica. We first spoke with Gojko Susak, minister of defense for the Republic of Croatia:

[Susak] The most important thing to mention is that they cannot use the pretext of responding to fire, because we agreed that neither side was to return fire before the joint team establishes what actually happened. That is one thing. The other is that they have freed sea traffic. We could not agree on air traffic, since that is not within their authority; some other body should be asked about that. But I think that the international community at all levels, both European and the United Nations, has adopted a firm stand and that this agreement, which is to go into effect tomorrow at 1800 will yield results.

[Hrvacic] You are an optimist.

[Susak] I am optimistic this time.

[Hrvacic] How do you comment....[changes thought] We expected Veljko Kadijevic to be sitting on the other side of the table.

[Susak] It is not important at all who was sitting there. Vance was categorical in his request that the person who came would have all the authority for the talks. So we are not at all concerned about why Kadijevic or Brovec or anybody else did not appear. That was the agreement made with them in Belgrade by Vance and Ambassador Okun: that the person who comes must have the authority to sign the agreement and observe it. [end recording]

[Hrvacic] We also spoke with Brigadier General Imra Agotic.

[Agotic] We believe that this is perhaps the most concrete agreement signed so far. I think it has a good chance of being implemented and proving effective. The primary task is to halt the firing and military actions on the entire territory of the Republic of Croatia. In view of what was signed and how the army side approached this agreement, or the act of agreeing, I think that there is good chance of it being implemented.

[Hrvacic] You are an optimist, like the minister.

[Agotic] Yes, I am an optimist, but we agreed on certain concrete actions in order to generally monitor this achieved cease-fire, and I think that we can be optimists.

[Hrvacic] The topic of the day is the use of tactical surface-to-surface missiles. Were they mentioned at all?

[Agotic] We did not talk about that. We made some remarks on their fierce attacks in the past few days. We did not particularly discuss it. However, we have assessed that these are the final throes, a final show of strength before the cease-fire that is to be implemented tomorrow.

Susak: Agreement 'Fairly Concrete'

LD0301102192 Zagreb Radio Croatia Network
in Serbo-Croatian 0800 GMT 3 Jan 92

[Text] Last night, on his return to Zagreb, in a statement for Croatian Television, Gojko Susak, the defense minister of the Republic of Croatia, assessed that an agreement, which is fairly concrete and not impossible to realize, was signed in Sarajevo between the Republic of Croatia and the representatives of the Yugoslav Army, in the presence of the UN secretary general's special envoy, Cyrus Vance. He expressed his satisfaction with the fact that the agreement had been achieved.

This agreement contains the mechanisms of cease-fire monitoring that the previous agreements did not contain. The stand of the international community is categorical. Both sides must observe this agreement, Minister Susak said. We achieved agreement that their Air Force cannot operate on the territory of the Republic of Croatia. Maritime traffic has to proceed according to

international laws, which means that the blockades of Croatian ports will be lifted. We did not succeed, although we tried, in establishing civilian air traffic in Croatia.

During the talks we received news about attacks by their Air Force in Croatia, after which Vance took me and Raseta aside and told Raseta off so well that they should really get the message, Minister Susak said. He specified that the agreement does not impose withdrawal of the forces of either side, but that it deals with the freezing of all actions and clashes. Minister Susak assessed that the arrival of the peacekeeping forces in Croatia seems much closer, under the condition of observance of the agreement signed yesterday.

Serb Krajina Republic Emerges Within Croatia

*LD2912142591 Belgrade TANJUG in English
1342 GMT 29 Dec 91*

[Text] Knin, Dec 29 (TANJUG)—A new political tissue—the republic of Serb Krajina—has emerged within the administrative borders of the Yugoslav Republic of Croatia, which wants them to become state borders only with the blessing and open support of the major powers of the European Community (E.C.).

This compact region covering an area of 13,000 square kilometres (not including the Serb Autonomous Region of Slavonia, Baranja and Western Srem) has its own government and a corresponding armed force, which controls the territory of Krajina with a strong foothold in the Knin Corps of the Yugoslav People's Army (JNA).

The people of Krajina see their future in a new Yugoslavia, which should be a final solution to the Yugoslav political and state crisis. This is what these people opted for on December 19 when Krajina adopted its first constitution. All relations with the Republic of Croatia have been severed, and Zagreb's economic pressure and direct armed attacks on Krajina were counter-productive because the Krajina government responded in a like manner to each of these moves, which stepped up the unity of the Serb people in these parts.

Milan Babic, the first president of the Republic of Krajina, categorically claims that "all that exists must be recognized." If the E.C. recognizes Krajina as a new international personality and a state founded on the right of nations to self-determination, many reasons for the outbreak of armed clashes will be eliminated and along with them the possibility of the war spreading to other parts of Europe, TANJUG learns in Krajina.

The E.C. does not recognize Krajina for now, mostly because of its double standards in resolving the Yugoslav crisis. It rewards some for pursuing a policy of disintegrating Yugoslavia, and punishes others for wanting to maintain its continuity. As far as Krajina is concerned, it is certain that there can be no bargaining about the right of its people to live a free and independent life on their historic and ethnic territory.

This, as it has been emphasized in Krajina, does not close the doors to negotiations, because the republic should come to terms with Zagreb about joint economic interests after the final demarcation with Croatia. Such interests certainly exist, because all Croatia's road and rail links to the central Adriatic coast and its ports pass through Krajina. Several centuries of life together and mutual economic interests open a realistic prospect that Serbs and Croats can at least trade and cooperate in peace, if not live together.

Resettlements in Slavonia Region Continue

*LD0101210992 Belgrade TANJUG Domestic Service
in Serbo-Croatian 0155 GMT 1 Jan 92*

[Excerpts] Backa Palanka, 1 Jan (TANJUG)—On New Year's Eve, 130 more families totalling some 500 people, now housed on Serbian territory, reported to the assembly center in Backa Palanka for resettlement in the Serbian region of Slavonia, Baranja, and Western Srem. TANJUG has been told this by Branko Bogunovic, the Serbian region's commissioner for resettlement. [passage omitted]

There is great interest in resettlement in the Serbian region of Slavonia, Baranja, and Western Srem, Branko Bogunovic stressed, so much so that in the next few days an influx of refugees housed over the whole Serbian territory can be expected.

Forces Leader Accuses Tudjman of 'Incompetence'

*LD2912021591 Belgrade TANJUG in English
2300 GMT 28 Dec 91*

[Text] Toronto, December 28 (TANJUG)—The high circulation Canadian daily, TORONTO STAR, published on Saturday the statement of commander of the Croatian Forces in Vukovar Mile Dedakovic (nicknamed Jastrebo: Hawk), who accused the Croatian leadership for the fall of this city to the Yugoslav People's Army (JNA).

Dedakovic said that the Croatian Government must have resigned and President Franjo Tudjman, who was at the same time supreme commander of the armed forces, must also feel the consequences because he did not do enough to save the city. He said this immediately after leaving prison in Zagreb, where he spent the past month under charges that he was to blame for the fall of Vukovar.

Dedakovic accused Tudjman for incompetence in war operations, citing that it was of him personally that he demanded arms and reinforcements, but that Tudjman had turned him down.

Dedakovic said his 1,800 men killed over 1,500 "enemy combatants, destroyed over 400 armoured vehicles and several score of artillery pieces."

In his view, there were around 400 Croatian troops killed in Vukovar and hundreds of civilians, but that these

victims, as he said, would be revenged when Vukovar was again in Croatian hands. The JNA and the Serbian territorial units were controlling the city in Eastern Slavonia since November 20.

Party of Rights Leaders Criticize Tudjman Report

*LD3012213491 Zagreb Radio Croatia Network
in Serbo-Croatian 1600 GMT 30 Dec 91*

[Text] Because it was impossible to reply to the recent annual report of President Tudjman in the Croatian Assembly, the leadership of the Croatian Party of Rights [Hrvatska Stranka Prava—HSP] and its representative in the Assembly, Ante Prkacin, held a press conference in Starcevicev Dom today. The report of President Tudjman was not accepted unanimously, because there was not even any discussion of it, Mr. Prkacin said in his introduction. But I, as a deputy, am more concerned about the mistakes of the Croatian leadership, Prkacin said. Among these, he stressed the poorly evaluated political circumstances in the former Yugoslavia, the fact that political opponents are not known well, and the fact that people are falling into the traps set by these same opponents.

Prkacin spoke, in particular, about the excessive authority of the president of the Republic, something made possible for him by the constitution, on the adoption of which he [Prkacin] was likewise unable to have any influence.

Addressing the journalists, Dobroslov Paraga, chairman of the HSP, stressed that the role of this party is not to bring down the president but to state the truth to the Croatian public. At the end of the conference, the chairman of the HSP revealed the information obtained from Samir Sadikovic, a Croatian Defense Alliance member recently released from the Sremska Mitrovica penal center. Sadikovic claims that 815 Vukovar fighters are still imprisoned in this center, in terrible conditions, together with Marina Vidic-Bilim, the government representative for the municipality of Vukovar.

Paraga: Leadership Guilty of 'Treason'

*LD3112223891 Belgrade TANJUG in English
1234 GMT 31 Dec 91*

[Text] Belgrade, Dec 31 (TANJUG)—President of the Croatian Party of Rights Dobroslov Paraga has accused the leadership of Croatia for "treason" and said that president of this Yugoslav republic Franjo Tudjman is "an ordinary dictator" who "has not the slightest idea of democracy."

In an interview in today's Belgrade daily BORBA, Paraga, leader of the extreme pro-fascist party, predicts that "Tudjman will be ousted by Croatian people themselves," and says that the ruling Croatian Democratic Union (HDZ) should "not show up at the elections, once the war is over."

In commenting on his recent arrest in Zagreb, and referring to his earlier arrest of some ten years ago and to his five years in prison, Paraga observes that "everything in the nature of the regime has remained the same." Says Paraga, "neither can these authorities stand criticism, while a stage-managed indictment proves the methods are identical."

Paraga has recently been arrested on a charge of plotting against the constitutional order in Croatia and against Tudjman's ruling set, and later released under an attenuated charge of arms smuggling.

Daily Warns Against 'Yeltsin's Model' in SFRY

*LD3112224391 Belgrade TANJUG in English
1116 GMT 31 Dec 91*

[Text] Zagreb, Dec 31 (TANJUG)—The Zagreb daily VJESNIK assessed the convention of "forces which wish to remain in Yugoslavia", scheduled for January 3 in Belgrade, as "a new trap."

Hida Biscevic, the editor-in-chief of the daily, in an article in VJESNIK's Sunday issue compared the attempt to create a common state from four Yugoslav republics, remaining after the secession of Slovenia and Croatia, with "Yeltsin's model" of the post-Soviet state.

One should not rule out the possibility, the daily writes, that a part of the forces in the West might view such a "mini-Yugoslavia" as a road for avoiding a spread of the Yugoslav conflict and ensurance of regional security.

Pointing out that possible decisions of the convention cannot determine the fate of Croatia which already considers itself independent, VJESNIK warns the international community that "regardless of the illusory political attractiveness of 'Yeltsin's model' as a solution for at least a part of the former Yugoslav territory," it has no reason to abandon "the so far strategical orientation" for the present Yugoslav republics of Macedonia and Bosnia-Herzegovina to be recognized as independent states.

"Sluggishness on the part of the West to support to the maximum the realization of the Hague and EC Council of Ministers' decisions as soon as possible, could prove ruinous and tragic," as the Zagreb daily sets out.

The EC Council of Ministers announced that it would recognize all Yugoslav republics which wish this and fulfill conditions for recognition of new states in Europe, formulated by the same forum.

Applications for recognition, apart from Slovenia and Croatia which decided to secede from Yugoslavia late June, were also submitted by Macedonia and Bosnia-Herzegovina.

Increased Activity of Democratic Party Noted*92BA0258E Zagreb VJESNIK in Serbo-Croatian
14 Dec 91 p 5*

[Article by Branko Podgornik: "Why the Croatian Democratic Party Left the Government"]

[Text] The Croatian Democratic Party [HDS] recently pulled out of the Croatian government. They say in the HDS that they withdrew their signature from the inter-party agreement on the Democratic Unity government because they were unable to influence either the creation or conduct of Croatian policy. At the same time, they say that they had begun to lose the identity of an opposition party because of their participation in the government.

As a matter of fact, that party has quieted down in the last few months. Observers have noted how its members were being "taken away" by the Croatian Rights Party [HSP] on the right and the Croatian People's Party [HNS] on the left. Nevertheless, the stagnation can also be interpreted differently, because certain other parties taking part in the government have at the same time recorded a growth. In any case, a few weeks ago the HDS suddenly stepped up its activity.

The leaders of the HDS have emphasized several times that they do not want to bring down the government, they are even ready to take part in it, but under the condition that the government, in keeping with the Constitution, obtains greater responsibility in the shaping and conduct of Croatian policy.

Democracy Even in Wartime

Zvonimir Nikolic, vice president of the party, says that the "present government is in an utterly inferior position relative to the president of the republic, especially when it comes to defense policy and foreign policy. And in any democratic society those two segments of policy affect every citizen." Nikolic mentions that decisions on essential issues ought to be made by consensus among the parties, and he added that Croatia would be better suited by a coalition government that would have greater responsibility for "mobilization of all democratic and creative forces."

It is an erroneous thesis that democracy cannot operate in wartime, Nikolic says, and adds: "The more problematical the situation in a state, the more highly developed the democracy must be. My position is that the critical moment will come in Croatia immediately after the war, when the balance of power between the democratic and antidemocratic forces will become evident. It will be evident first of all in definition of the new election law. Our party will favor the proportional principle in elections, which will prevent the excessive power of one party or one man and will predetermine the coalition structure of the government."

"The second time the democratic and antidemocratic forces will be pitted against one another will be in the debate concerning the system of government in the

Republic of Croatia. Our party will insist on a parliamentary system in which the Assembly would be the supreme legislative political body, and the government the sole executive body, under the oversight of the Assembly and the public."

Lapses in Defense

Nevertheless, the main concern of the HDS at present is the defense of Croatia, Nikolic emphasizes, adding that many members of the party are in the front ranks of the fight for freedom, and some of them even holding positions of unit or region commanders: "But we do not want to emphasize their party allegiance, nor do they, because our position is that party politics has no place in the army."

The Croatian Democratic Party is well-known for its harsh criticism of the defense organization. "Recent reports from the battlefield indicate a certain progress in organization of Croatian defense. But at the same time we must note that it is difficult to make up for the one-year lapse in mobilization of all specialized personnel and production potential for defense," Nikolic said.

The vice president of the HDS added that "in this past period Croatia has relied too much on the peacemaking process and has neglected the fact that the enemy does not want peace, but exclusively the conquest of Croatian territory. The present situation will endure until an astute combination of diplomacy and armed combat alters it. I am convinced that if the errors made up to now in the shaping and conduct of Croatian defense are corrected and if all the potential of Croatia is mobilized, both the homeland and the emigre community, Croatia will emerge from this war as the victor."

Slavonska Pozega Changes Name to Pozega*LD0101205492 Zagreb Radio Croatia Network
in Serbo-Croatian 1200 GMT 1 Jan 92*

[Text] A decision by all three chambers of the Slavonska Pozega municipality to change the name of the town from Slavonska Pozega to Pozega, dropping the adjective Slavonska, comes into effect today. The Pozega Municipal Assembly has also sent a message of gratitude to the 123d Pozega Brigade and the crisis center for everything they have recently done for the benefit of the municipality.

Serbia**Guard Commander: Hungary Directly Involved in War***AU0201211492 Novi Sad TVNS Sat TV
in Serbo-Croatian 1830 GMT 2 Jan 92*

[Studio interview with Zeljko Raznjatovic Arkan, commander of the Serbian Volunteers' Guard, by Jovan Nikolic in Novi Sad—live]

[Text] [Nikolic] As a guest in the studio with us now is Zeljko Raznjatovic Arkan, commander of the Serbian Volunteers' Guard. Good evening.

[Raznjatovic] Good evening.

[Nikolic] You are a participant in all the clashes we have been reporting on daily from this region. How would you comment on what is happening today?

[Raznjatovic] I would say that we, that is to say, the Serbian nation, should not delude ourselves at all. This peace and all only helps the enemy to arm and prepare itself better. For example, we have learned through intelligence sources that 100 Leopard-type tanks crossed the border and are already in Croatia. Similarly, 80 airplanes are waiting to be delivered to Zagreb. Also, from Mohacs, Hungary they are attacking us with surface-to-surface missiles. All these reports, that they are attacking us with some sort of agricultural airplanes and boilers made by Gorenje-Velenje [Slovene company manufacturing domestic appliances] and so forth, are all lies and fairy tales.

Therefore, this is clearly an aggression by Hungary upon Serbia and Yugoslavia. I think there are no more doubts. They have violated our air space over 100 times, and it is a miracle that the projectile that fell on Borovo Selo did not explode in the residential areas, but rather in a garden on the outskirts. The projectile left a hole 8 meters wide and 3 meters deep.

[Nikolic] Permit me to ask you something. You gave us information concerning the place from where these projectiles have been launched, to be precise, information concerning the attacks from Hungary. This is a very serious statement that you can, I presume, substantiate?

[Raznjatovic] We have proof ...

[Nikolic] Because, now we are directly accusing a neighboring country?

[Raznjatovic] That is correct. You are right, I accused this neighboring country three months ago. We hold information about their training camps for Ustasha and mercenaries. We know that some 20,000 mercenaries and Ustasha are being trained on the territory of the Republic of Hungary, that is to say, the Hungarian state. They assist them. We know that their armored units are on the border with Serbia. We know of those projectiles and the jet airplanes [mlazni avioni] that are violating our air space. We know it all. Therefore, why lie to the people and not state clearly and loudly that Hungary is 100 percent involved in this war, our war.

[Nikolic] Well, if this is the case, we will have to prove it. Now, let me ask you something else within the limited time of the newscast. You are a soldier; you are on the front. Today, as you heard at the beginning of the newscast, a cease-fire agreement was reached in Sarajevo that would facilitate the deployment of blue helmets to Yugoslavia. This represents a sort of introduction to the solution of the Yugoslav crisis. What would you say,

propose, or advise to all those in the trenches, to those in the bombed village of Mirkovci, and in all the other places?

[Raznjatovic] Well, I would advise them of what we all know already. That is, do not believe in anything, clear your weapons, and keep your ammunition in a dry place, as one can never trust the Ustasha and fascists. Like I said at the beginning, this cease-fire and peace only benefits them [Croats]. Tudjman said this on television, even stating it publicly, that if he does not reconquer the [original] borders peacefully, he will reconquer them through war. With the full support of Germany, Austria, and Hungary, they will prepare themselves well and attack from all sides. We are ready. We shall defend the Serbian nation and so will the Yugoslav Peoples' Army. I believe that they are also ready, and they know that a false peace is no good. It is much better to have a long-lasting, clean peace, but I do not know whether this is possible at the moment.

[Nikolic] Well, we shall see. Mr. Raznjatovic, thank you for appearing in our television newscast.

[Raznjatovic] Thank you.

Kosutic 'Firmly Expects' Deployment of UN Forces
AU3012094291 Berlin NEUES DEUTSCHLAND
in German 30 Dec 91 p 5

[Interview with Budimir Kosutic, deputy prime minister of the Republic of Serbia, by Marko Winter; place and date not given: "We Place Our Hope on UN Blue Helmets"]

[Text] [Winter] How can the war in Croatia be ended, and what do you still expect from the EC?

[Kosutic] Only one single condition would have to be accepted for an end to the war: that Croatia's armed formations accept cease-fire agreements, above all the last one concluded in Geneva. The Yugoslav People's Army would not have opened fire at all without the heavy attacks by the Croatian paramilitary units. These attacks caused many casualties among the Serbian population.

As regards the EC, one must note, unfortunately, that it has not contributed to peace. It ignored international law and the agreements that were concluded at the conference on Yugoslavia. I think that the German Government is essentially responsible for that. Therefore, we hope that this attitude will not affect the Serbs who live and work in Germany and that Bonn will adhere to all obligations that result from treaties and conventions on human rights. However, there are indications that the pensions of citizens from Serbia and Montenegro who worked in Germany may not be paid. And I also hope that the interruption of traffic and telecommunications will not be continued.

[Winter] Thus, you see the United Nations as a rescue anchor?

[Kosutic] Yugoslavia is a UN member; people are less biased there. We firmly expect blue helmets, who are the decisive precondition for a peaceful solution. It was a mistake committed by the Serbian and the Yugoslav leadership that they did not insist on UN involvement from the very beginning and wrongly assessed the role of the EC and, in particular, of Germany.

[Winter] However—what is a future Yugoslavia supposed to look like? And what do you say about the ecstacy that Belgrade wants to establish Greater Serbia?

[Kosutic] In the future, too, Serbia wants a common state with the other peoples who live in Yugoslavia. The EC has now called on all peoples who want to be recognized to apply for recognition—and this within the framework of the borders and relationships that were established by the communists. This is based neither on the UN Charter nor on the CSCE declaration of Paris, but put something into motion that might turn into the beginning of a civil war.

The Serbs must be given the right everywhere to decide where they want to live in the future. When Bosnia was given to Austria in 1878, no one thought about the fact that it was not Austrians who lived there but Serbs. The Serbian people never proceeded from the premise of establishing a Greater Serbia—not even when it had the opportunity to do so in 1918 on the basis of the London agreement. On the contrary, now there are efforts to unite all parts of Yugoslavia that belonged to the Austro-Hungarian Empire until 1918 and those parts that belonged to Italy in the past to a new Catholic confederation that, by the way, also shows the influence of the church in the current war.

[Winter] Will Serbia recognize Croatia?

[Kosutic] The Serbian people have always been willing to recognize independence, but not a Croatia that includes Serbian territory, where a terrible genocide was committed in the past and where the war now started because Croats attacked Serbs. Recognition, yes, but under the condition that the Serbs' chance to live in peace be fully guaranteed. However, when the Croatian Constitution was adopted, no one did anything, neither the EC nor Bonn.

[Winter] What role is now played by the Yugoslav People's Army, which is seen by many as the extended arm of Serbian interests?

[Kosutic] This is simply not true. For instance, the General Staff did not react in a way that would have been necessary to protect the soldiers—above all, because all decisive leading positions were occupied by Slovenes or Croats, even though the majority of the army members are Serbs. Even though the Army had information about the illegal import of weapons to Croatia, etc.,

it did not react. In my opinion, in particular, the General Staff of the Yugoslav People's Army bears great responsibility for the situation that has developed. In fact, the Army tried to be a Yugoslav Army, and it was paralyzed in the same way as Yugoslavia itself.

Agreement Signed With Russia To Expand Contacts

LD3112224291 Belgrade TANJUG in English
1240 GMT 31 Dec 91

[Text] Belgrade, December 31 (TANJUG)—The general manager of the Belgrade foreign trade firm Progres, Mirko Marjanovic, believes that the recently signed agreement on cooperation in 1992 between Russia and the Yugoslav Republic of Serbia, valued at 3.5 billion dollars, will be fully realized and new contacts between the two countries' firms expanded.

According to Marjanovic, a signatory of the agreement, Serbia will receive from Russian partners next year two million tonnes of oil, 1.6 million tonnes of oil derivatives, 2.3 billion cubic meters of gas, 300,000 tonnes of coal, 400,000 tonnes of ferrous metallurgy semi-manufactured goods which will be returned to Russia as goods of a higher degree of processing. The Serbian industry will also get 200,000 cubic meters of timber, cellulose valued at 20 million dollars, various chemical products valued at 50 million dollars as well as Moskvic and Togliatti cars valued at 90 million dollars.

Serbia will next year export to Russia several hundred thousands of tonnes of wheat and maize, 100,000 tonnes of pork and baby beef, furniture valued at 75 million dollars, footwear, household appliances and other consumer goods. The Serbian pharmaceutical industry is expected to deliver to Russia medicines and pharmaceutical products valued at 200 million dollars in 1992. These goods lists do not include construction work, valued at some 700 million dollars, which Serbian firms will undertake in Russia next year, as Marjanovic told the Belgrade daily POLITIKA.

All this is to be realized through a special bank account on which imports and exports will be balanced every three months, Marjanovic said. The holders of the account will be those who are to carry out the deals and the Russian and Serbian Governments and chambers of economy are to name the contractors so that the realization of the agreement could begin as soon as possible.

VMDK Issues Communiqué on Minorities Status

AU0301140892 Budapest UJ MAGYARORSZAG
in Hungarian 31 Dec 91 p 5

["Communiqué by the Leadership of the Democratic Union of Vojvodina Hungarians on the Situation of Minorities"—issued on 28 December; place not given]

[Text] At its meeting on 28 December, the leadership of the Democratic Union of Vojvodina Hungarians [VMDK] dealt with the requirements of some of the

actions undertaken by the government and other authority organizations of the Serbian Government, and it noted the following:

1. The bills on preschool and grade school education constitute a material expression of the authorities' negative attitude toward minorities, which is a direct threat to the national identity of Hungarians living in Vojvodina.

2. Unfortunately, these bills are not an exception. Right from the start, the present composition of the house of representatives has passed a whole series of laws that abolished or failed to guarantee the material benefits needed for the realization of important national minority rights. Thus, it has discontinued the publication of the Official Bulletin in national minority languages, it has discontinued translation services in the houses of representatives, and it has abolished the multilingual system in public administration and the courts. The law on territorial division has sectioned the areas in Vojvodina inhabited by Hungarians into four parts; there are no natural links between them, and they depend solely on Belgrade.

3. It is in the interest of the Hungarian community in Vojvodina that its only daily be independent and have a democratic orientation, and if it can express its most general national interests. The provincial party authority organizations and the other provincial authority organizations are doing everything in their power to exercise joint political supervision over the paper. In the present situation, this means that it is no longer possible for the Hungarian community in Vojvodina to conduct an open debate in its paper.

4. The leadership of the VMDK has already indicated in the past that Hungarians do not want to participate in the historic dispute of the southern Slav peoples; consequently, they do not want to take part in the civil war either—yet reserves from their ranks are still being sent into combat. As a result of the military situation and the huge propaganda pressure burdening Hungarians in Vojvodina, more than 25,000 members of the community have already left the country. The nationality structure of the population is thus being forcibly changed; this constitutes a blatant example of a violation of the United Nations directions, which prohibit the forcible changing of the population structure.

5. The VMDK is recommending talks on the aforementioned problems, and it is turning to the National Assembly with the suggestion that the National Assembly should call back the refugees and guarantee that they will not be harassed in any way after their return. Such a decision by the National Assembly could prove to the current authorities that the National Assembly does not want to trample on the rights of national minorities and that it is ready for the democratic realization of national minority rights.

Data on Proposed 1992 Republic Budget Reported
92BA0269B Belgrade BORBA in Serbo-Croatian
12 Dec 91 p 6

[Unattributed article: "One-Fourth for Administration"]

[Text] Judging by the budget proposal for next year that the government has submitted to the National Assembly, Serbia's state treasury in 1992 should be worth 495,940,746 million dinars, or 153.3 percent more than last year. This at the same time would for the first time be the joint budget revenue for the entire republic, because the Constitution envisages that beginning on 1 January of the coming year Serbia is to function as a unified state. Prime Minister Dragutin Zelenovic sent a cover letter to the deputies along with the budget bill.

The basis for balancing the budget, Zelenovic writes, is contained in the "new tax system adopted in recent days in the Assembly of the Republic of Serbia" (although at precisely the time when the prime minister's "package" was delivered, the deputies were adopting only the third of the six tax laws). Zelenovic went on to explain that the new tax system is based on the principles: "Everyone must engage in economic activity, every economic activity must yield the necessary and adequate result, and everyone must pay taxes and contributions."

A portion of the revenues from the total envisaged budget will be transferred in the amount of 4 billion to the disposition of the provinces (2.5 billion to Vojvodina and 1.5 billion to Kosovo and Metohija), and Belgrade will get 1.57 billion. The plan calls for setting aside 122,363 billion to finance budget funds, 127,984 billion for public expenditures, 640 million for current budget reserves, and 2 billion dinars for permanent reserves. The new budget distribution, states the clarification of the bill, "abandons the elaborate system of financing public expenditures set up so as to allow financing that does not even go through the budget—by means of public funds and funds for material production, municipal service and utility expenditure, etc."

[Box, p 6]

Expenditures

The balance sheet envisaged for expenditures of the budget of Serbia in 1992 looks this way: wages and salaries of employees and officials 123,522.8 million dinars (24.9 percent of expenditures); material costs 7,246.6 million; defense and territorial defense 15,355.7; Ministry of Internal Affairs 11,935; ministries, judicial authorities, etc., 21,440.9 million dinars. An expenditure of 122,363 million dinars is envisaged for stimulation of development and other purposes, 127,984.3 million for "special accounts," 5,570 million in funds for the provinces and Belgrade, and 60,522.5 million dinars for the federal budget.

National Assembly Adopts New Tax Regulations*92BA0276B Belgrade BORBA in Serbo-Croatian
18 Dec 91 p 10*

[Article by V. Ilic, M. Torov, and S. Pokrajac-Stamatovic: "The Package Rescinds Four Laws"]

[Text] Belgrade—With adoption of the last law in the tax package—on taxation of personal income—the National Assembly of Serbia yesterday rounded out the new tax system, from which the republic authorities expect a great deal. In a two-hour debate, in which some 10 amendments were made, the remaining 120 articles were adopted, so that the government's bill did not undergo any essential change.

The original proposal to tax in advance and at a rate of 20 percent income from forestry and agriculture, self-employment, and capital gains was amended, and the rate was dropped to 15 percent. Taxes on income from self-employment, which originally were to be paid monthly, were added to the taxes paid quarterly on income from agriculture and forestry. The penalty interest on taxes paid late will be calculated at the discount rate of the National Bank increased by 200 percent. However, the Assembly has placed the requirement on the government that it monitor changes in the discount rate, interest rates, and the rise of retail prices, and adjust the penalty interest accordingly. When the Law on the Personal Income Tax takes effect, the laws on personal taxes and contributions, on the special republic tax on earnings of employees, on republic tax rates and exemptions, and on provincial taxes will cease to be valid.

Yesterday, the Assembly did not have unquestioning understanding for one of the proposals of the government, which happens rarely. Jovan Zebic, deputy prime minister, asked that certain articles of the Law on the Personal Income Tax which had already been adopted be corrected and brought into conformity with the rest of the tax package, but there was a reaction from Aleksandar Bakocevic, Batric Jovanovic, and Vlado Jovic. The agile Jovanovic said angrily that "the government cannot propose amendments orally, because even deputies cannot do that, and after the vote there are no amendments," and he proposed to the government that "it could offer only a bill amending and supplementing the law."

The proposal of the Foreign Policy Committee of the Serbian Assembly that Vladislav Jovanovic, foreign minister, submit a report on the positions of Serbia concerning the decision of the Council of Ministers of the EC was adopted, and the vote that was taken determined that this would be in closed session.

It was announced that the order of the SFRY Presidency on the length of service of reservists and soldiers at the front, proposed by the Ministry of Defense and the government, would also be debated in closed session and would be subject to urgent procedure. Of the lengthy list

of deputy proposals for urgent procedure, passage was given only to the request of Batric Jovanovic that the government propose a new law on state holidays and other holidays without waiting for the end of the year.

Judging by the words of the defense minister, General Simovic, "the sensitivity of the matter" is the only reason for postponing for regular procedure the proposed change in the Law on National Defense—concerning formation of the Serbian Army and the Serbian Guards as a professional army.

Nor did the proposal pass to place on the agenda the legality of operation of the SFRY Presidency, the government arguing that this "is not based on the provisions of the operating procedure of the National Assembly."

Applause was given to the response of Jovan Zebic, finance minister, to Zoran Djindjic, who had asked that the request for revision of the government decrees on partial prohibition of trade within Yugoslavia be placed on the agenda on an urgent basis. "The purpose of these decrees is to prevent food from leaving Serbia and going to Slovenia and Croatia and being paid for with dirty and worthless dinars which they have taken out of circulation." Although Djindjic's proposal did not pass, he received timid applause with his response that "it is easy to get applause for emotional statements, even though this has to do with losses to Serbia's producers and citizens, which the government should make up to them."

New Serbian Multipurpose Aircraft Planned*92BA0277A Belgrade POLITIKA in Serbo-Croatian
17 Dec 91 p 15*

[Article by M. Sasic: "The 'Utva 95,' the Largest Domestic Aircraft"]

[Text] Pancevo, 16 Dec—Specialists of "Utva" in Pancevo, of the Aeronautics Institute of the School of Mechanical Engineering of Belgrade University, of the "Moma Stanojlovic" Aeronautics Institute, and "Prva Petoletka" of Trstenik have successfully completed a design assignment ordered and paid for by a foreign partner.

According to information given us by Dragan Nikodimovic, the engineer who headed the team to design the multipurpose transport plane, the project was supervised from abroad and there have been no objections to it. On the contrary, it has been confirmed that the "Utva 95," as the plane is called for the present, was in many respects a better aircraft than others in this category now being offered to the market: the "Pilatus PZ-12" manufactured in Switzerland and the American "Cessna Caravan."

The plane, which in four years should emerge from the assembly line of the Pancevo aircraft industry, the specialists say, is 8 percent more economical in its passenger

version and all of 22 percent more economical in its cargo version than the best present aircraft competing with it.

"The design was done on the basis of the project assignment of a foreign firm, whose name we do not wish to reveal for the present," Engineer Nikodinovic said. "The profitability study, which was also done by the foreign partner, says that the project would pay off with the production of 300 'Utva 95's,' while the team of experts that studied the market guarantees the sale of twice as many of these aircraft."

It is beyond any doubt that an aircraft has been designed with all the requirements of the last decade of the 20th century. If everything proceeds in orderly fashion, in accordance with the contract concluded with the foreigner partner concerning this transaction, two prototypes could take off in two years, and series production of the "Utva 95" could begin in 1995, says Engineer Nikodinovic, production superintendent in the "Utva-Aircraft" factory.

The new product of Serbia's aviation industry would have civilian and military versions. The first would be a passenger plane with 14 seats and the latter an aircraft to carry 21 soldiers or an aircraft to carry military equipment and armament or equipment for electronic reconnaissance or jamming.

This is a single-engine plane with turboprop propulsion, maximum speed is 405 km/hr, range is from 200 to 400 km, and, most important, it was designed to take off and land on a semiprepared grass airstrip. Takeoff requires a runway 305 meters long, but landing only 201 meters. The aircraft's length is 13.5 meters, and its wingspan 16 meters.

On the basis of its dimensions, this is the largest plane designed by our specialists. This plane's production would require importing only the engine and the prop, while domestic manufacturers would provide all the rest.

Kosovo

Party Leaders Discuss 'Occupation' Conditions

AU0101214292 Pristina BUJKU in Albanian
26 Dec 91 p 3

[Alida Berisha report: "Invitation to Dialogue With the Serbian Opposition"]

[Text] Belgrade, 25 Dec— Veton Surroi, chairman of the Kosovo Parliamentary Party, and Shkelzen Maliqi, chairman of the Kosovo Social Democratic Party, held a news conference in the International Press Center today. The topic for discussion with journalists was the current situation in Kosovo.

Veton Surroi said that Kosovo is living under conditions of occupation, or the total rule of force. He mentioned that 400,000 Albanian schoolchildren are not attending

classes, that about 90,000 Albanian workers have been dismissed from work, that the entire economy and health service are administered by force, and that there has been no rational political life for more than one year....

We believe, he considered, that some time and in some way a new order will be created in Kosovo, based not on the rule of force, but one that will respect the elementary principles of democracy, whose main principle is the will of the majority. However, this order must also respect the elementary standards of democracy, which means that the interests of the minority will also be respected. We wish to talk to representatives of the United Serbian Opposition and of the Democratic Party about this issue, and to talk about what interests and principles must be respected in the future in order to meet the interests of the Serbs in Kosovo.

If anybody imagines that Kosovo will always be a special zone, he is thinking of conquering with bayonets and staying by means of bayonets, which, as history as shown, is impossible. We therefore think that we must talk about the interests I mentioned earlier, and that these talks must be the start of a Serbian-Albanian dialogue. I am perfectly aware that an additional explanation is required, both for the voters of these parties and our own party's supporters, about why there should be talks about the Serbian minority in Kosovo now, when it is currently implementing a policy of colonization. It would be good for the Serbs and Albanians to talk about this before possible conflicts. This invitation to dialogue will be sent in writing to the aforementioned opposition parties, and we as a party are ready to take part in talks anywhere, in Belgrade, Pristina, or on neutral territory, V. Surroi said.

Shkelzen Maliqi talked about the (im)possibility of a historic agreement between the Serbs and Albanians and asked whether conditions are ripe for such an agreement. The current situation makes such an agreement virtually impossible, because Albanian-Serbian relations are at a military level and the smallest spark would ignite an armed conflict. Serbia has not only destroyed the former apparatus of Kosovo's autonomy, but has imposed such a system of state terror and of domination of the Albanian majority by the Serbian minority that it in some ways surpasses the South African system of apartheid and segregation. He said that Serbia's claims to treat Kosovo as an exclusively Serbian place have led to the unbalanced anomaly of 1.5 percent of the total number of Serbs in the Balkans holding under occupation and giving a colonial status to 38 percent of the total number of Albanians!

S. Maliqi went on to say that the Albanians' aspirations for independence are being obstructed not by any state of citizens but by the majority of Serbs in this state, which considers the Albanians to be a foreign minority on Serbian territory. As is well known, Serbia's aims in Kosovo are: 1. To reestablish the state of affairs that existed before World War II; 2. To change the ethnic structure of the population in favor of the Serbs. On the

Albanian side, the situation is clearer. Their choice is to leave Serbia, and they hold the trumps of peace and democracy. They are ready to enter into all kinds of negotiations, but only as an independent entity, i.e. a nation that takes part in decisions, not a minority whose fate is decided by others.

The question of Kosovo is essentially a question of decolonization. If democracy is based on the decision of the majority and the self-determination of the people, then the establishment of a democratic system will mean that the population constituting the majority will ask for decolonization and self-determination. They will vote for their own freedom and self-determination both today, because nobody at present asks them about anything and because of the maltreatment they have suffered at the hands of the police and the administration, and tomorrow, because of their unpleasant experiences with the Serbs.

Asked by journalists how he would comment on the EC's decision not to consider the Republic of Kosovo's request for recognition, Shkelzen Maliqi said that this is not a definitive solution to the problem of Kosovo. The EC has in the first phase decided to solve the question of Slovenia and Croatia. Macedonia and Bosnia and Herzegovina will be in the second phase, and it seems that Kosovo will be in the third.

Another question addressed to the representatives of the two Kosovo parties was whether their commitment to the Republic of Kosovo was also a commitment to Kosovo as an independent state. Veton Surroi said that the sovereignty of Kosovo is the sovereignty of the people to decide their present and future. Thus, the citizens of Kosovo will also decide on independence in a calm fashion. Meanwhile, S. Maliqi said that some kind of autarchic state in Kosovo is no solution. In essence, it is the matter of every people being able to decide their own fate.

Asked whether he had agreed to take part in elections for the Kosovo parliament, V. Surroi said that he had not only accepted, but had asked for elections for the Kosovo Assembly to be organized. We have asked for the restoration of the Kosovo parliament, because it alone can organize the elections.

In conclusion, it must be said that this was the first news conference that representatives of the Albanian parties of Kosovo have held in Belgrade.

This evening, Veton Surroi will be a guest of the independent television station Studio B in the two-hour program, "Viewers Interview."

Rugova Sees 'Nothing New' in Serbian Stand

*AU0101185892 Tirana Radio Tirana Network
in Albanian 1700 GMT 1 Jan 92*

[Text] Dr. Ibrahim Rugova, chairman of the Kosovo Democratic Alliance, who is officially visiting several

Western European countries, commenting in an interview on the measures taken by the Serbian authorities in the village of Prekaz i Ulet [Donje Prekaze] and some other Kosovo villages, said among other things:

I cannot call it anything but a continuation of the repression, violence, and terror in Kosovo, similar to Rankovic's notorious campaign for the collection of weapons [1955-1956]. Its main aim is to debilitate the Albanians through increased violence and to incite conflicts. The Albanians have so far refused a mass conflict, because such a thing would benefit the Serbian regime. The Albanians, with their peaceful policy of resistance, are still not yet scared. They want to solve the question of Kosovo and of the Albanians in general in a civilized way.

In connection with a speech by Milosevic in which he blamed the leaders of the Serbian minority in Kosovo for the place's problems, which some observers have interpreted as the signal of a softening of official Serbian attitudes toward the Albanians, Dr. Rugova said:

I see nothing new in the stand of the current Serbian regime. It is true that Milosevic and his group are in a very difficult position, both internally within Serbia and among the Serbian people. Of course, I see it more as a political game, because there is now great international pressure and the question of the Albanians is increasingly gaining ground internationally. Now he is trying to find a scapegoat.

Bosnia-Herzegovina

Silajdzic Advocates International Recognition

*AU3012203791 Sarajevo Radio Sarajevo Network
in Serbo-Croatian 1800 GMT 30 Dec 91*

[Text] Haris Silajdzic, minister of international cooperation of the Republic of Bosnia-Herzegovina, today sent a letter to all foreign embassies accredited in Yugoslavia.

He emphasized in the letter that the demand for recognition of Bosnia-Herzegovina is based on facts and that the Socialist Federative Republic of Yugoslavia has reached the stage of dissolution. He also points out that the status of Bosnia-Herzegovina as a sovereign state was confirmed by all post-war constitutions of Yugoslavia and the Republic of Bosnia-Herzegovina.

Bosnia-Herzegovina is one of the six republics that formed Yugoslavia, Silajdzic continues. Its borders have been created in the long period since the early middle ages and were internationally recognized by several international agreements, starting with the end of the 17th century. These borders are integral and recognized at the Berlin Congress in 1878. Such borders remained unchanged until today, Silajdzic says.

With this letter, Silajdzic is reminding the foreign ambassadors that other federal units either asked for

recognition—like Slovenia, Croatia, and Macedonia—or they consider themselves internationally recognized by the decrees of the 1878 Berlin Congress—like Serbia and Montenegro.

The recognition of independence will enable Bosnia-Herzegovina to take part in the process of new integration of the Yugoslav states on an equal footing, Silajdzic stresses. To contest the recognition of Bosnia-Herzegovina's independence would mean imposing a solution upon a great majority of Bosnia-Herzegovina citizens or [words indistinct] of the republic. In this case, Bosnia-Herzegovina would become a permanent source of instability, with the possibility of a civil war of greater dimensions emerging in the region, Dr. Haris Silajdzic emphasized in his letter to foreign ambassadors.

Prisoners To Be Exchanged in Bosanski Brod

AU0301084492 Sarajevo Radio Sarajevo Network
in Serbo-Croatian 1800 GMT 2 Jan 92

[Jagos Stojanovic report]

[Excerpt] During today's visit of the EC observers mission in Bosanski Brod an exchange of prisoners was agreed for tomorrow. It is planned that prisoners will be exchanged at 1000 on the bridge between Bosanski Brod and [passage indistinct] and Nasice.

During the EC observers' visit in Bosanski Brod, the town authorities repeated their demand that the bridge linking Bosanski Brod with Slavonski Brod be reopened for road and rail traffic as soon as possible. By this they would like to avoid the occasional opening of the bridge for pedestrian traffic only, which greatly hinders normal communication for residents from both banks of the River Sava.

In the talks of the communal authorities with the EC mission the urgent need to lift the blockade over the Adriatic oil pipeline was also stressed. It is a well known fact that this blockade halted production in the only Bosnia-Herzegovina oil refinery. The standstill of oil [word indistinct] in Bosanski Brod has placed the entire Bosnia-Herzegovina economy in a difficult situation. [passage omitted]

Vukovic Named Banja Luka Corps Commander

LD0201165792 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1431 GMT 2 Jan 91

[Text] Banja Luka, 2 Jan (TANJUG)—In accordance with the reorganization of the Yugoslav People's Army [JNA] and certain staff changes, Lt. Colonel General Vladimir Vukovic, who, previous to this appointment, held the post of commander of the Knin Corps, has been appointed commander of the Banja Luka Corps, it was announced today.

The former commander of the Banja Luka Corps, Colonel General Nikola Uzelic, has been appointed commander of the Third Military District. These staff

changes are in accordance with the decisions and the plan to secure full combat readiness of the JNA units and to carry out all the tasks resulting from the SFRY Constitution and the demands of the people.

Montenegro

President Bulatovic on Results of U.S. Visit

92BA0258C Titograd POBJEDA in Serbo-Croatian
10 Dec 91 p 3

[Interview with Momir Bulatovic, M.A., president of the Montenegrin Presidency, by Z.O.; place and date not given: "The Devil Is Not so Black"]

[Text] On the eve of his departure for Yugoslavia, Momir Bulatovic, M.A., president of the Presidency of the Republic of Montenegro, answered the questions of Yugoslav newsmen on the results of his visit to the United States.

[Bulatovic] It seems to me that we are in line with our conception of completely realizing the ambitious program of our visit to the United States. We have had contacts and talks at various levels here, including the federal administration, the local administration in South Carolina, but also talks with the banking world, with people from business and science. What we had to communicate we communicated in the best way, and what we have had occasion to realize and to learn needs to be analyzed when we go back to Yugoslavia and Montenegro.

The adoption of economic sanctions against Yugoslavia is something we should have figured out, because there were hints that America had to support the European Community, but I will repeat that even among those we talked to here the prevailing opinion is that sanctions cannot resolve the Yugoslav crisis.

[Z.O.] Are there any chances following your visit that there will be some relaxation for Montenegro?

[Bulatovic] With respect to Montenegro and the size and level of trade between Montenegro and the United States, there is no particular economic significance. It is a question of political significance. There have not, of course, been spectacular results in politics or in diplomacy. For a long time, a mistaken image of Montenegro has been created, probably even through our own inaction or mistaken action, and that is why we took this present occasion to begin to put the picture of Montenegro in a more positive light. That will not, of course, yield results immediately, but even that is better than for us to wait for others to create an image of us without our being involved.

[Z.O.] What was your impression of the visit to THE WASHINGTON POST and answering the numerous questions of the world's most famous newspapermen?

[Bulatovic] At the very outset, it was not pleasant at all. That is when you simply see the full weight of the profession of being a politician. These were very prestigious and authoritative journalists, they are not sparing of anyone, and they especially have no affection for representatives of a country in which a civil war is being waged and where people are killing one another. Nevertheless, there is also an advantage to that, because we ourselves are put on our toes, we see how the arguments are being used and the logic that is to be found in the Western media, while on the other side it seems that we at least managed to get those people thinking and to show them that the Devil is not as black as he seems.

[Z.O.] How did you feel in front of the building of the Council for Foreign Relations in New York; while you delivered a quite distinguished lecture, the Croat extremists were demonstrating against you outside?

[Bulatovic] My feelings were mixed. As far as the demonstrations themselves go, we have had plenty of experience with that, and there are absolutely no problems at all. What surprised me is the immense amount of hatred in their eyes. They have not only written bad things about us, we even got the impression that they really believe it.

Macedonia

Prime Minister Views Diplomatic Relations

LD3112224691 Belgrade TANJUG in English
1111 GMT 31 Dec 91

[Text] Skopje, December 31 (TANJUG)—Macedonian Premier Nikola Kljusev said in the New Year's issue of the NOVA MAKEDONIJA daily he believed that his republic would develop diplomatic relations with Greece and that diplomatic visits between the two sides' officials would be exchanged early in the new year.

In an interview to the Skopje daily, Kljusev said that initial contacts had been made with Bulgaria, Romania, Albania and Turkey, adding that "cooperation with Serbia and Greece should be stepped up."

"Apart from trade with the world (export and import) half of Macedonia's trade within Yugoslavia is with Serbia so that economic cooperation cannot stop because its continuation is of mutual interest. Thus we should promote this cooperation, but also protect our own interests," Kljusev said.

He noted that "After January 15, when Macedonia is expected to receive international recognition, we should even more turn to vital problems, replace euphoria with work and sobriety."

The Macedonian premier pointed out that Macedonia did not have any claims on others' territories, or political ambitions to impose some ideology upon others.

He said that the ethnic Albanians in Macedonia lived according to all standards and criteria contained in the Helsinki Declaration and the Charter of Paris, adding however, that the parties which rally ethnic Albanians—the Party of Democratic Prosperity and the National Democratic Party—had not adjusted themselves to the existing conditions, advocating an extremist view on inter-ethnic relations in the republic.

The government insists on provisions for "living together, upon such a political platform as would pronounce the spiritual and material being of the Albanian nationality in Macedonia," Kljusev concluded.

Official Talks With Greece Scheduled 3 Jan

AU0201154592 Belgrade Radio Belgrade Network
in Serbo-Croatian 1400 GMT 2 Jan 92

[Boris Djordjioski report]

[Text] The Ministry for Relations With Other Countries today stated that talks between official representatives of Greece and Macedonia about contentious issues concerning Macedonia's international recognition will open in Athens tomorrow. The talks will be started by experts. The main topic will be the contents of the EC's declaration on recognizing the Yugoslav republics.

This will be the first official meeting between Greek and Macedonian officials since Macedonia declared itself sovereign and independent. Macedonian media today reported Athens' dissatisfaction with the amendments to the Macedonian Constitution, with which this republic renounces territorial pretensions toward its neighbors and promises that it will not interfere in their internal affairs. The Greeks demand that Macedonia change its name, because it bears the name of a northern Greek province and because the name implies, as Athens claims, Skopje's aspirations toward Greek territory.

The Macedonians are not thinking about changing the name of their state at all. Therefore, tomorrow's meeting between the two countries' officials will show whether either of the two neighbors plan to change their view or whether they will stick to their current stands.

On 6 January, the Macedonian Assembly should adopt the proposed constitutional amendments with which, Macedonians believe, Macedonia will meet all European conditions for international recognition. However, it is obvious that Greece, which is member of the EC, does not think the same way.

Macedonia's path toward international recognition will certainly be hindered not only by Greece, but also by Albanian parties in Macedonia, which, supported by the illegal Kosovo leadership and officials in Tirana, claim that Macedonia has not fulfilled all the conditions for international recognition, because it does not respect the rights of Albanians. Therefore, Albanian parties, the Party for Democratic Prosperity and the National Democratic Party, decided to hold a referendum on the

political and territorial autonomy of Albanians in Macedonia on 11 and 12 January.

Albanian Party To Hold Autonomy Referendum

*LD0101200292 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1059 GMT 1 Jan 92*

[Text] Skopje, 1 Jan (TANJUG)—Instead of editorial offices in Skopje receiving the customary party leadership greetings, they received a statement by the Albanian Party for Democratic Prosperity (PDP), in which the party officilly gives notice that a referendum of Albanians on their territorial-political autonomy in Macedonia will be held on 11 January.

Having stated that this will not constitute a threat to territorial integrity or to the rights and interests of other national communities in Macedonia, the PDP leadership calls on members and sympathizers to collectively participate in the referendum. The statement adds that in the new Macedonian Constitution the Albanian people were put in a position of inequality. Party members have been asked "to avoid all possible provocations".

The PDP leadership has accused "the political parties in the Macedonian bloc, which, with their statement in connection with the impending referendum, displayed narrow-mindedness and egotism as far as the rights of the Albanian people in Macedonia are concerned".

With the exception of reaction by several political parties, no official assessment has been made so far of the PDP and NDP Albanian parties' intention to use a possible referendum to proclaim an autonomy for Albanians living in Macedonia.

Socialist Party Names Vice President Candidate

*LD3012212791 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1637 GMT 30 Dec 91*

[Text] Skopje, 30 Dec (TANJUG)—The Socialist Party of Macedonia [Socijalisticka Partija Makedonije - SPM] proposes Dr. Vasil Tupurkovski for the post of vice president of Macedonia, the SPM announced at a news conference in Skopje today. The proposal will be submitted to Macedonian President Kiro Gligorov. On several occasions over the last few months, Dr. Vasil Tupurkovski, however, said that he has no intention of putting his name forward for the post and that he wants to leave politics.

